



TOWN OF SURFSIDE
PENSION BOARD MEETING
Friday, May 15, 2020 – 1:00 p.m.
9293 Harding Avenue – Virtual Meeting

AGENDA

Pension Board Members

Guillermo Olmedillo
Sgt. Julio E. Torres
N. Abraham Issa
Yamileth “Yami” Slate-McCloud

Town of Surfside Consultants

Frank Wan, Burgess Chambers & Associates
Todd Wishnia, Highland Capital Management
Robert Klausner & Adam Levinson, Klausner & Kaufman
Jason D. Greene, Finance Director
Mayte Gamiotea, Third Party Administrator
Frantza Duval, Recording Clerk
Shelly Jones & Nicholas Lahaye, GRS
Michael Futterman & Branden Lopez, Marcum, LLP

1. **Call to Order and Roll Call**
2. **Virtual Meeting Policy**
3. **Approval of Minutes**
 - a. Regular Pension Board Meeting – *February 13, 2020*
4. **Agenda Additions and Deletions**
5. **Public Participation**
6. **Actuarial Valuation** (Shelly Jones – GRS)
7. **Financial Report [Draft]** (Michael Futterman/Branden Lopez – Marcum)
8. **Reports and Updates**
 - a. Burgess Chambers & Associates
 - i. BCA Privacy Notice
 - ii. Form Adv Part 2A Brochure
 - iii. Investment Performance Quarter Ending March 31, 2020
 - iv. Large Cap Growth (LCG) Analysis
 - b. Highland Capital
 - i. Investment Review Quarter Ending March 31, 2020
 - c. Klausner & Kaufman
 - i. COVID 19 Message – Extension of Virtual Meeting
 - ii. FORM 1 Filing

- iii. FFCRA and CARES Act
- iv. Ronald Browning

9. Administrator

- a. Officer Donald McGavern
- b. Refund of Contributions
 - i. Michelle Shahryar
- c. Retirement Benefits
 - i. Duncan Tavares
- d. DROP
 - i. Domingo Gonzalez
 - ii. Tim Milian
 - iii. Mayte Gamiotea

10. Approval of Invoices

11. New/Old Business

12. Trustees' Comments/Concerns

13. Public Comment

14. Next Regular Scheduled Meeting Date

August 6, 2020

15. Adjournment

THIS MEETING IS OPEN TO THE PUBLIC. IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT OF 1990, ALL PERSONS ARE DISABLED; WHO NEED SPECIAL ACCOMMODATIONS TO PARTICIPATE IN THIS MEETING BECAUSE OF THAT DISABILITY SHOULD CONTACT THE OFFICE OF THE TOWN CLERK AT 305-861-4863 EXT. 226 NO LATER THAN FOUR DAYS PRIOR TO SUCH PROCEEDING. HEARING IMPAIRED PERSONS MAY CONTACT THE TDD LINE AT 305-893-7936.

AGENDA ITEMS MAY BE VIEWED AT THE OFFICE OF THE TOWN CLERK, TOWN OF SURFSIDE TOWN HALL, 9293 HARDING AVENUE. ANYONE WISHING TO OBTAIN A COPY OF ANY AGENDA ITEM SHOULD CONTACT THE TOWN CLERK AT 305-861-4863. A COMPLETE AGENDA PACKET IS ALSO AVAILABLE ON THE TOWN WEBSITE AT www.townofsurfsidefl.gov

TWO OR MORE MEMBERS OF OTHER TOWN BOARDS MAY ATTEND THIS MEETING.

THESE MEETINGS MAY BE CONDUCTED BY MEANS OF OR IN CONJUNCTION WITH COMMUNICATIONS MEDIA TECHNOLOGY, SPECIFICALLY, A TELEPHONE CONFERENCE CALL. THE LOCATION 9293 HARDING AVENUE, SURFSIDE, FL 33154, WHICH IS OPEN TO THE PUBLIC, SHALL SERVE AS AN ACCESS POINT FOR SUCH COMMUNICATION.

**VIRTUAL
MEETING
POLICY**

TOWN OF SURFSIDE EMPLOYEES' RETIREMENT SYSTEM

ADMINISTRATIVE RULE GOVERNING THE USE OF AUDIO-VISUAL CONFERENCE OR TELECONFERENCING TO CONDUCT VIRTUAL PUBLIC BOARD OF TRUSTEE MEETINGS

BACKGROUND

Florida Statute, §286.011 governs Florida's Sunshine law. Pursuant to this section, "[a]ll meetings of any board or commission of any state agency or authority or of any agency or authority of any county, municipal corporation, or political subdivision . . . at which official acts are to be taken are declared to be public meetings open to the public at all time, and no resolution, rule, or formal action shall be considered binding except as taken or made at such meeting. . .";

On March 1, 2020, the State Surgeon General and State Health Officer declared a Public Health Emergency exists in the State of Florida as a result of COVID-19;

On March 9, 2020, by Executive Order 20-52, the Governor of Florida declared a state of emergency for the entire State of Florida as a result of COVID-19;

On March 16, 2020, the President of the United States and the Centers for Disease Control and Prevention recommended individuals to practice significant social distancing measures including but not limited to working from home and avoiding gatherings of more than 10 people.

AUTHORITY

On March 20, 2020, the Governor of Florida issued Executive Order 20-69 suspending any Florida Statute requiring a physical quorum be present for a local government body to meet at a specific public place. Pursuant to Executive Order 20-69, government bodies may utilize audioconferencing and or teleconferencing to conduct its public meeting. This Executive Order expires May 8, 2020, unless extended by the Governor.

Town of Surfside Code, Section 2-185(a) provides "[t]he pension board, as described and empowered in this section, shall serve as the board of trustees and trustee of the trust fund, and shall be charged with the responsibility for the general administration and management of the plan and trust. . ." Section 2-185(i)(6) provides "*Powers and duties.* The board shall have the duties expressly provided or implied under the provisions hereof, and in addition thereto, the following. . . *Rules; enforcement.* Make and enforce uniform nondiscriminatory rules and regulations for the efficient administration of the plan and receive any questions or interpretations that may arise in connection with the plan."

Town of Surfside Employees' Retirement System
Administrative Rule Governing the Use of Audio-Video Conferencing or Teleconferencing
to Conduct Virtual Public Board of Trustee Meetings

ADMINISTRATIVE POLICY

1. Effective March 20, 2020, this Board may conduct its meetings and meet the quorum requirements via audio-video conferencing and or teleconferencing.
2. Public participation is of the utmost importance; therefore, the Board may choose to use either audio-video conferencing or teleconferencing communication to conduct virtual meetings.
3. The Board retains the right to maintain decorum to orderly conduct the Board meeting.
4. If the Board chooses to use audio-video conferencing it may use one of the following software which allows for maximum public participation. Such platforms include: (a) Zoom, (b) GoTo Meeting, (c) Microsoft Teams, which provides a feature for ADA compliance and close captioning, or (d) WebX.
5. The meeting notice will provide an e-mail address where the public can submit questions and or comments. Any such comments or questions will be read aloud during the public comment section of the meeting agenda.
6. In the event the Board chooses to use teleconferencing communication, it will take such steps as are necessary to effectuate public access, including any applicable email and telephone access point.
7. In the event the local government requires meetings to be live streamed, the Board will comply will those requirements through the Town system.
8. The meeting notice will state that any individuals needing ADA accommodations to attend a virtual meeting should contact the Plan Administrator, Mayte Gamiotea, at 305-861-4863 at least 72 hours prior to the meeting at 386-329-0100. The notice shall also identify the specific type of audio-video conferencing to be used and include instructions on how to join and participate virtually.
9. The meeting notice must also contain information regarding the means to access the agenda.
10. In the event the available technology is insufficient to permit all interested parties to attend and participate, the virtual meeting must be terminated until such time as the problem has been resolved. There is no obligation for the Board to provide communication devices for public use

Town of Surfside Employees' Retirement System
Administrative Rule Governing the Use of Audio-Video Conferencing or Teleconferencing
to Conduct Virtual Public Board of Trustee Meetings

- 11. The meeting notice must also contain information regarding the means to access the virtual meeting as well as the agenda.
- 12. All other Sunshine law provisions must be followed including: (a) posting of meeting notice, (b) taking of meeting minutes, and (c) making minutes available for public inspection.
- 13. This Administrative Rule will remain in effect until May 8, 2020, unless Executive Order 20-52 is extended by the Governor of Florida.

The Board reserves the right to amend this Administrative Rule from time to time as it deems appropriate. The Board shall retain the right to exercise its discretion in interpreting this rule and in resolving any disputes that may arise hereunder. Nothing in this Administrative Rule creates a contractual or substantive right for benefits from the Plan.

This Administrative Rule was adopted by the Board of Trustees at a public meeting, on _____, 2020.

Chair

Secretary

MINUTES



**TOWN OF SURFSIDE
PENSION BOARD MEETING**

Thursday, February 13, 2020 – 2:00 p.m.

9293 Harding Avenue - Town Hall –Commission Chambers

MINUTES

Pension Board Members

Guillermo Olmedillo

Sgt. Julio E. Torres

N. Abraham Issa

Yamileth “Yami” Slate-McCloud

Norma Parron

Town of Surfside Consultants

Frank Wan, Burgess Chambers & Associates

Todd Wishnia, Highland Capital Management

Adam Levinson, Klausner & Kaufman

Jason D. Greene, Finance Director

Mayte Gamiotea, Third Party Administrator

Frantza Duval, Recording Clerk

1. Call to Order and Roll Call

The meeting was called to order by Abraham Issa at 2:05 p.m.

All of the above noted Pension Board members and Consultants were present.

2. Approval of Minutes

a. Regular Pension Board Meeting – *November 7, 2019*

MOTION:

The Town of Surfside Pension Board recommended approval of the *November 7, 2019* regular pension board meeting minutes as amended. Guillermo Olmedillo moved; Yamileth Slate-McCloud seconded. The motion passed unanimously.

Abraham Issa inquired about the record keeping of the \$175,000 contribution that was approved by the Town Commission. It was advised that the money is invested with the general fund and an actuarial adjustment is done as needed. Mayte Gamiotea inquired as to how she should she account for the money on the books, but was advised to speak to the auditors on the correct way to account for that money.

b. Special Pension Board Meeting – *December 2, 2019*

MOTION:

The Town of Surfside Pension Board recommended approval of the *December 2, 2019* regular pension board meeting minutes. Yamileth Slate-McCloud moved; Julio Torres seconded. The motion passed unanimously.

Abraham Issa thanked Yamileth Slate-McCloud for her contributions to the recently approved Town Commission ordinances for the retirement plan and also thanked staff for showing their support on the item.

3. Agenda Additions and Deletions

Jason Greene advised that there were two invoices for Marcum to be added under the approval of invoices.

4. Public Participation

None.

5. Reports and Updates

a. Burgess Chambers & Associates

Frank Wan provided an overview of the Plan. Abraham and Frank spoke at length regarding growth managers. The board is interested in seeing what is out there in terms of growth managers looking at both the downside and the upside. Frank Wan will look into this further and provide an update. For the quarter, the Plan earned \$1.3 million or +5.3% (+5.2% net). The top three performing assets were: international (+10.2%), small-cap (+10.0%) and large-cap (+9.1%).

For the one-year period, the Plan earned \$4.4 million or +20.4% (+20.0% net) and ranked in the top 24th percentile. The top three performing assets were: large-cap (+31.5%), international (+28.0%) and mid-cap (+26.8%). For the trailing five-year period, the Plan earned +7.2% and ranked in the top 49th percentile.

Highland's large-cap value performance ranked in the top 48th and 32nd percentiles for the three and five-year periods, respectively. Cohen & Steers Global Infrastructure was behind the index for the quarter (+3.0% vs. +3.9%). EuroPacific was ahead of its benchmark for the three-year period (+13.0% vs. +10.4%) ranked in the top 23rd percentile. The MEPT Fund earned +4.6% for the one-year period. Highland bond performance (annualized) beat the benchmark for the five-year period.

b. Highland Capital

Todd Wishnia provided an overview of the plan. The S&P 500 tacked on another 9% in the fourth quarter, bringing the years total return to 31.4% marking the best year for the market since 2013 when the S&P gained 32.3%. The Federal Reserve lowered rates in October bringing the number of cuts to three, almost offsetting the four rate increases of 2018. The top performing sectors in the fourth quarter were Healthcare and Technology, with rising 14.4%. Technology stocks continued their winning ways not only for the quarter, but also the full year by gaining just over 50% for the year. Apple gained 31% for the quarter, and for 2019 increased by almost 89%. Real Estate was off -0.5% in the quarter, while Utilities increased just 0.8%, as both sectors tend to move inversely with interest rates.

c. Klausner & Kaufman

a. Fiduciary Standards

Adam Levinson presented House Bill 1113 which establishes a fiduciary standard for appointed public officials and executive officers acting on behalf of a government entity and the newly proposed training for each term served. Adam Levinson will keep the board updated on the resolution of the bill.

b. Notary Public Law

Adam Levinson presented the changes to Florida's notary public law to permit remote online notarizations. Effective January 1, 2020 Florida's notary public law, chapter 117, was changed by house bill 409 which permits a Florida notary public ("Notary") to perform online notarizations. Adam Levinson specified that the plan would have to allow online notary, but not necessarily make an online notary available for use.

c. SECURE ACT and IRS Limits

Adam Levinson presented the SECURE ACT (Setting Every Community Up for Retirement Enhancement Act), which expands opportunities to increase individual retirement savings. He also advised that the tax limits have also increased per IRS Notice 2019-59.

d. Cyber Security Quote

Adam Levinson advised the importance of purchasing cyber security insurance coverage since there was another cyber hack in a nearby South Florida municipality. Yamileth-Slate McCloud suggested moving quickly with a cyber security coverage company given the proximity of the last hack and the next scheduled pension meeting was not until May 2020. She suggested possibly having a special pension meeting to pass this along quickly. The entire board agreed that this was a pressing matter and waiting any longer would not be good. Jason Greene suggested making a motion to have the attorney enter into an agreement with the cyber security company with the dollar value not to exceed a set amount as approved by the board.

MOTION:

The Town of Surfside Pension Board recommended approval to receive proposal for cyber security policies for the pension board not to exceed \$1,500 and to be executed by the chair on behalf of the board as soon as it's available. Yamileth Slate-McCloud moved; Julio Torres seconded. The motion passed unanimously.

e. Officer Donald McGavern

Adam Levinson advised that he has nothing new to report for Officer McGavern.

- f. **Ronald Browning Case**
Adam Levinson advised that he doesn't have new information to report regarding the Ronald Browning case and suggested removing it from the agenda.
Yamileth Slate-McCloud reiterated that it's important to leave this item and other items on the agenda in case there was a change in board composition, so that it doesn't get lost.
Mayte Gamiotea advised that the remaining balance of \$21K is still accounted for in the books. Abraham Issa stated that if it's in the trial balance and also reported to the state there is no need for it to be in the agenda.

After additional discussion, the Board agreed that it didn't hurt to keep the item on the agenda.

6. Administrator

- a. **Refund of Contributions**

Mayte Gamiotea presented a request for refund of contributions for employee Emmanuel Louis who resigned 1/23/2020. Mayte Gamiotea advised that she didn't have the final calculations but estimate it to be between \$1,500-\$2,000.

MOTION:

The Town of Surfside Pension Board recommended approval for the refund of contribution for Emmanuel Louis. Yamileth Slate-McCloud moved; Julio Torres seconded. The motion passed unanimously.

7. Approval of Invoices

MOTION:

The Town of Surfside Pension Board recommended approval of all invoices as read by chair Abraham Issa. Julio Torres moved; Yamileth slate-McCloud seconded. The motion passed unanimously.

8. New/Old Business

- a. **Performance Evaluation of Burgess Chambers**

The Board advised that Frank Wan and Burgess Chambers are doing a great job. They advised that Frank Wan provides great educational information and is very thorough. Frank Wan adheres to the investment policy and brings forth recommendation where he sees fit. He's very knowledgeable and a great asset to the board.

The Board thanked Frank Wan for his service.

- b. **Summary Plan Description Update – Yamileth Slate-McCloud**

Yamileth Slate-McCloud advised that the summary plan description is required by the State. It is recommended to be updated every 2-3 years; and the last time the board updated it was in 2017. Yamileth Slate-McCloud advised that since the Board recently made changes to the plan it's a perfect time to update the summary plan description. Yamileth Slate-McCloud advised that she reached out to GRS for a quote, which didn't include hardcopies, for an amount of \$3,068. Yamileth Slate-

McCloud is requesting approval to proceed with the quote and additional funding to make copies of the updated plan for employees.

MOTION:

The Town of Surfside Pension Board recommended approval of the GRS quote and additional funding for hard copies. Guillermo Olmedillo moved; Norma Parron seconded. The motion passed unanimously.

c. Purchase of Prior Military Service – Yamileth Slate-McCloud

Yamileth Slate-McCloud advised that a general employee wanted to buy back time. Adam Levinson advised that it applies to law enforcement, but it needs not to apply to law enforcement. Adam Levinson advised that an ordinance change would be needed to permit this to happen. Abraham Issa advised that given the length of time it would take to discuss the matter it should be continued at the next meeting. The board agreed to continue the discussion at the next meeting.

9. Trustees' Comments/Concerns

None.

10. Public Comment

None.

11. Next Regular Scheduled Meeting Date

May 7, 2020

12. Adjournment

There being no further business to come before the Board, the meeting unanimously adjourned at 4:20 p.m with the motion made by Guillermo Olmedillo; receiving a second from Yamileth Slate-McCloud.

ACTUARIAL VALUATION



May 5, 2020

Ms. Mayte D. Gamiotea
Pension Administrator
Retirement Plan for Employees of the
Town of Surfside
9293 Harding Avenue
Surfside, Florida 33154

Re: Retirement Plan for Employees of the Town of Surfside

Dear Mayte:

As requested, we are pleased to enclose twenty (20) copies of the October 1, 2019 Actuarial Valuation Report for the Retirement Plan for Employees of the Town of Surfside.

Upon Board approval of the Actuarial Valuation Report, we will upload an electronic copy of the Actuarial Valuation Report along with the required disclosure information to the State portal as required by the State.

We appreciate the opportunity to have performed this important assignment on behalf of the Board and look forward to presenting the key results at the next Board Meeting.

If you should have any questions concerning the above, please do not hesitate to contact us.

Sincerest regards,

A handwritten signature in black ink that reads "Michelle Jones". The signature is written in a cursive, flowing style.

Shelly L. Jones, A.S.A., E.A.
Consultant and Actuary

Enclosures

RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF SURFSIDE

Actuarial Valuation as of October 1, 2019

This Valuation Determines the Annual Contribution for the Plan and Fiscal Year October 1, 2020 through September 30, 2021 to Be Paid in Fiscal Year October 1, 2020 through September 30, 2021

May 5, 2020



**Retirement Plan for Employees of
the Town of Surfside**

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May 5, 2020

Pension Board
Retirement Plan for Employees
of the Town of Surfside
c/o Ms. Mayte Gamiotea
9293 Harding Avenue
Surfside, Florida 33154

Dear Board Members:

October 1, 2019 Actuarial Valuation

We are pleased to present our October 1, 2019 Actuarial Valuation for the Retirement Plan for Employees of the Town of Surfside (Plan). The purpose of this report is to indicate appropriate contribution levels, comment on the actuarial soundness of the Plan and to satisfy State requirements. Gabriel, Roeder, Smith & Company, as Plan actuary, is authorized by the Pension Board to prepare an annual actuarial valuation under Section 2-185(i)(11)(c) of the Plan. This report is prepared for and at the request of the Pension Board.

This report consists of this commentary, detailed Tables I through XV, the State Required Exhibit on Table XVI and Glossary on Table XVII. The Tables contain basic Plan cost figures plus significant details on the benefits, liabilities and experience of the Plan. We suggest that you thoroughly review the report at your convenience and contact us with any questions that may arise.

Pension Plan Costs

Our Actuarial Valuation develops the required minimum Pension Plan payment under the Florida Protection of Public Employee Retirement Benefits Act and Police Officers Retirement Chapter 185. The minimum payment consists of payment of annual normal costs and amortization of the components of the unfunded actuarial accrued liability over various periods as prescribed by law. The minimum payment for the Plan year ending September 30, 2021 is **\$1,794,467 (27.1%)**. The figure in parentheses is the Plan cost expressed as a percentage of covered annual payroll (\$6,625,012) as of October 1, 2019.

This total cost is to be met by Member, State and Town contributions. We anticipate Member contributions will be **\$529,507 (8.0%)** and allowable State contributions will be **\$19,882 (0.3%)**. The resulting minimum required Town contribution to be paid in **fiscal year ending September 30, 2021** is **\$1,245,078 (18.8%)**. This Actuarial Valuation assumes Town contributions will be made on the first day of the Plan Year and must be increased if total State contributions are less than expected (\$58,073).

Changes in Actuarial Assumptions, Methods and Plan Benefits

Plan provisions remain unchanged from the October 1, 2018 Actuarial Impact Statements. Plan provisions are summarized on Table IX.

The mortality assumption is updated to the mortality assumption used by the Florida Retirement System (FRS) as required under F.S., Chapter 2015-157 based upon the July 1, 2019 FRS Actuarial Valuation. The remaining actuarial assumptions and methods are unchanged from the October 1, 2018 Actuarial Impact Statements and are outlined on Table X.

Comparison of October 1, 2018 and October 1, 2019 Valuation Results

Table II of our report provides information of a comparative nature. The left columns of the Table indicate the costs as calculated for the October 1, 2018 Actuarial Impact Statements. The center columns indicate the costs as calculated for October 1, 2019 prior to the assumption changes. The right columns indicate the costs as calculated for October 1, 2019 after the assumption changes.

Comparing the left and center columns of Table II shows the effect of Plan experience during the year. The number of active participants increased by approximately 4% - covered payroll increased by approximately 7%. The total normal cost, the unfunded actuarial accrued liability and the Net Town minimum funding requirement increased as a dollar amount but decreased as a percentage of covered payroll.

Compare the center and right columns of Table II shows the effect of the update of actuarial assumption change. The total normal cost, unfunded actuarial accrued liability and net Town minimum funding requirement all decreased both as a dollar amount and as a percentage of covered payroll.

Assets exceed the value of vested accrued benefits resulting in a Vested Benefit Security Ratio (VBSR) of 108.6% (106.4% prior to assumption change). This is a decrease from 108.7% as of the October 1, 2018 Actuarial Impact Statements. The Vested Benefit Security Ratio is based upon the market value of assets.

Actuarial Gains / (Losses)

The Plan experienced an actuarial gain of **\$139,765 (2.1%)** during the year. Our Actuarial Valuation Report tracks the actual experience in areas that are very significant in determining whether a gain or loss occurs. Table XIV presents investment return, salary experience and termination experience.

Table XIV provides the investment experience under the Plan in comparison to the actuarial assumption. During 2018-2019, the fund experienced a smoothed actuarial value net return of approximately 6.45%. This return is less than the assumed 7.25% rate of return. Investment return



was an offsetting source of actuarial loss this year. The average smoothed actuarial value return over the last three, five and ten-years is 7.12%, 7.3% and 5.7%, respectively. The one, three, five and ten-year average market value returns are 4.26%, 7.37%, 6.4% and 7.5%, respectively.

Table XIV also provides salary increase experience for the Plan in comparison to assumed salary increases. Salary increases averaged 4.3% and 5.3%, respectively for General Employees and Police Officers this year. The average salary increase assumption was 5.1% for General Employees and 4.8% for Police Officers. Salary increases were generally a source of actuarial gain for General Employees and an offsetting source of actuarial loss for Police Officers. General Employee average annual salary increases for the three, five and ten-year periods are 3.8%, 5.2% and 5.7%, respectively. Police Officer average annual salary increases for the three, five and ten-year periods are 3.1%, 3.8% and 4.8%, respectively.

Employee turnover this year was 70% of the assumed turnover for General Employees – 80% of the assumed turnover for Police Officers. General Employee turnover for the three, five and ten-year periods are 80%, 80% and 110%, respectively of expected turnover. Police Officer turnover for the three, five and ten-year periods are 30%, 40% and 50%, respectively of expected turnover. Employee turnover was generally an offsetting source of actuarial loss for General Employees and Police Officers.

Member Census and Financial Data

The Member census data as of October 1, 2019 used for this Actuarial Valuation was submitted to us by the Town. This information contains name, Social Security number, date of birth, date of hire, October 1, 2019 rate of pay, actual salary paid and member contributions for the previous fiscal year. Dates of termination and retirement are provided where applicable. Information on inactive participants including retirees, beneficiaries and vested terminees was also provided by the Town.

We were supplied with information on the assets of the Plan as of September 30, 2019 by the Board. We do not audit the member census data and asset information provided to us; however, we perform certain reasonableness checks. The Plan is responsible for the accuracy of the data.

Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.



Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: Plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in Plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the Plan's future financial condition include:

1. Investment risk – actual investment returns may differ from expected returns;
2. Asset / Liability mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and the actuarially determined contribution requirements;
3. Contribution risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the Plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll or other relevant contribution base;
4. Salary and Payroll risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and the actuarially determined contributions differing from expected;
5. Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed;
6. Other demographic risks – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and the actuarially determined contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the actuarially determined contribution can be expected to increase (or decrease). Likewise if longevity is improving (or worsening), increases (or decreases) in the actuarially determined contribution can be anticipated.

The actuarially determined contribution rate shown on page one of the report may be considered as a minimum contribution rate that complies with the Plan's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the Plan. Users



of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

Plan Maturity Measures

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust fund may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

| | <u>2018</u> * | <u>2019</u> |
|--|---------------|-------------|
| Ratio of market value of assets to payroll | 3.77 | 3.65 |
| Ratio of actuarial accrued liability to payroll | 4.18 | 4.42 |
| Ratio of actives to retirees and beneficiaries | 2.50 | 2.48 |
| Ratio of net cash flow to market value of assets | 2.1% | -0.5% |
| Duration of the actuarial accrued liability | 14.87 | 14.88 |

* Based on October 1, 2018 Actuarial Valuation

Ratio of Market Value of Assets to Payroll

The relationship between assets and payroll is a useful indicator of the potential volatility of the actuarially determined contribution. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates higher (lower) or increasing (decreasing) volatility in the actuarially determined contribution as a percentage of payroll.

Ratio of Actuarial Accrued Liability to Payroll

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of the actuarially determined contributions for a fully funded plan. A funding policy targeting a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

The ratio of actuarial accrued liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times payroll, a change in actuarial accrued liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing



(decreasing) volatility in actuarial accrued liability (and also the actuarially determined contribution) as a percentage of payroll.

Ratio of Actives to Retirees and Beneficiaries

A young plan with many active members and few retirees will have a high ratio of active to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0.

Ratio of Net Cash Flow to Market Value of Assets

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

Duration of Actuarial Accrued Liability

The duration of the actuarial accrued liability may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, a duration of 10 indicates the actuarial accrued liability would increase approximately 10% if the assumed rate of return were lowered 1%.

Additional Risk Assessment

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.

Summary

In our opinion the benefits provided for under the current Plan will be sufficiently funded through the payment of the amount as indicated in this and future Actuarial Valuation reports. We will continue to update you on the future payment requirements for the Plan through our Actuarial Valuation reports. These reports will also continue to monitor emerging experience of the Plan.



The actuarial assumptions used in this Actuarial Valuation are as adopted by the Board. The economic and demographic actuarial assumptions were last updated based on the results of Experience Study for the period October 1, 2009 – September 30, 2014. The mortality assumptions are as prescribed by statute. Each assumption represents an estimate of future Plan experience.

The Government Finance Officers Association (GFOA) recommends an experience study every five years. The last experience study performed was five years ago. Therefore, we recommend an experience study to align the assumptions with more recent experience.

If all actuarial assumptions are met and if all future minimum required contributions are paid, Plan assets will be sufficient to pay all Plan benefits, future contributions are expected to remain relatively stable as a percent of payroll and the funded status is expected to improve. Plan minimum required contributions are determined in compliance with the requirements of the Florida Protection of Public Employee Retirement Benefits Act with normal cost determined as a level percent of covered payroll and a level dollar amortization payment using an initial amortization period of 30 years.

The Unfunded Actuarial Accrued Liability (UAAL) may not be appropriate for assessing the sufficiency of Plan assets to meet the estimated cost of settling benefit obligations but may be appropriate for assessing the need for or the amount of future contributions. The UAAL would be different if it reflected the market value of assets rather than the smoothed actuarial value of assets.

The Government Accounting Standards Board Net Pension Liability and Plan Fiduciary Net Position as a Percentage of Total Pension Liability may not be appropriate for assessing the sufficiency of Plan assets to meet the estimated cost of settling benefit obligations but may be appropriate for assessing the need for or the amount of future contributions.

This report should not be relied upon for any purpose other than the purpose described in the primary communication. Determinations of the financial results associated with the benefits described in this report in a manner other than the intended purpose may produce significantly different results.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement plans. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

This report may be provided to parties other than the Board only in its entirety and only with the permission of an approved representative of the Board.



Pension Board
May 5, 2020
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The signing actuaries are independent of the Plan sponsor.

The undersigned are Members of the American Academy of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinions contained in this report. We are available to respond to any questions with regards to matters covered in this report.

Very truly yours,



Jennifer M. Borregard, E.A.
Consultant and Actuary



Shelly L. Jones, E.A., A.S.A., C.F.A.
Consultant and Actuary



Both Groups Combined

Summary of Retirement Plan Costs as of October 1, 2019

| | Prior Assumptions | | Current Assumptions | |
|---|-------------------|-----------------|---------------------|-----------------|
| | Cost Data | % of Payroll | Cost Data | % of Payroll |
| A. Participant Data Summary (Table III) | | | | |
| 1. Active Employees | 99 | N/A | 99 | N/A |
| 2. Terminated Vested | 6 | N/A | 6 | N/A |
| 3. Receiving Benefits (including DROPs) | 40 | N/A | 40 | N/A |
| 4. Annual Payroll of Active Employees | \$ 6,625,012 | 100.0% | \$ 6,625,012 | 100.0% |
| B. Total Normal Cost | | | | |
| 1. Age Retirement Benefits | \$ 1,022,473 | 15.4% | \$ 1,005,546 | 15.2% |
| 2. Deferred Vesting Benefits | 136,892 | 2.1% | 134,587 | 2.0% |
| 3. Disability Benefits | 154,328 | 2.3% | 157,816 | 2.4% |
| 4. Return of Employee Contributions | 21,833 | 0.3% | 19,841 | 0.3% |
| 5. Administrative Expenses | 118,212 | 1.8% | 118,212 | 1.8% |
| 6. Total Annual Normal Cost | \$ 1,453,738 | 21.9% | \$ 1,436,002 | 21.7% |
| C. Total Actuarial Accrued Liability | | | | |
| 1. Active Employees | \$ 19,432,484 | 293.3% | \$ 19,101,276 | 288.3% |
| 2. Service Retirees and Beneficiaries (including DROPs) | 8,725,855 | 131.7% | 8,477,057 | 128.0% |
| 3. Disabilities | 789,982 | 11.9% | 778,009 | 11.7% |
| 4. Terminated Vested Members | 919,995 | 13.9% | 893,985 | 13.5% |
| 5. Miscellaneous Liability | 0 | 0.0% | 0 | 0.0% |
| 6. Total Actuarial Accrued Liability | \$ 29,868,316 | 450.8% | \$ 29,250,327 | 441.5% |
| D. Plan Assets | | | | |
| 1. Smoothed Actuarial Value | \$ 24,401,166 | 368.3% | \$ 24,401,166 | 368.3% |
| 2. Market Value | \$ 24,188,592 | 365.1% | \$ 24,188,592 | 365.1% |
| E. Unfunded Actuarial Accrued Liability (C - D.1.) | | | | |
| | \$ 5,467,150 | 82.5% | \$ 4,849,161 | 73.2% |
| F. Minimum Required Contribution | | | | |
| 1. Total Normal Cost | \$ 1,453,738 | 21.9% | \$ 1,436,002 | 21.7% |
| 2. Amortization of Unfunded Liability | 387,166 | 5.8% | 339,560 | 5.1% |
| 3. Interest Adjustment | 18,904 | 0.3% | 18,905 | 0.3% |
| 4. Total Contribution | \$ 1,859,808 | 28.1% | \$ 1,794,467 | 27.1% |

Both Groups Combined

Summary of Retirement Plan Costs as of October 1, 2019

| | Prior Assumptions | | Current Assumptions | |
|--|-------------------|--------------|---------------------|--------------|
| | Cost Data | % of Payroll | Cost Data | % of Payroll |
| G. Expected Payroll of Active Employees for 2020 - 2021 Plan Year (\$6,625,012 x 1.000) | \$ 6,625,012 | 100.0% | \$ 6,625,012 | 100.0% |
| H. Expected Contribution Sources (percent of expected 2020 - 2021 payroll) | | | | |
| 1. Town | \$ 1,310,419 | 19.8% | \$ 1,245,078 | 18.8% |
| 2. State | 19,882 | 0.3% | 19,882 | 0.3% |
| 3. Employees | 529,507 | 8.0% | 529,507 | 8.0% |
| I. Years to Which Contribution Applies: | | | | |
| 1. Plan Year Ending | | | September 30, 2021 | |
| 2. Town Fiscal Year Ending | | | September 30, 2021 | |
| 3. Assumed Dates of Town Contribution | | | October 1, 2020 | |
| J. Actuarial Gain / (Loss) (Table VI) | \$ 139,765 | 2.1% | \$ 139,765 | 2.1% |
| K. Actuarial Present Value of Vested Accrued Benefits | | | | |
| 1. Members Currently Receiving Benefits (including DROPs) | \$ 9,515,837 | 143.6% | \$ 9,255,066 | 139.7% |
| 2. Terminated Vested Members Entitled to Future Benefits and Miscellaneous | 919,995 | 13.9% | 893,985 | 13.5% |
| 3. Active Employees | 12,299,417 | 185.7% | 12,115,963 | 182.9% |
| 4. Total Actuarial Present Value of Vested Accrued Benefits | \$ 22,735,249 | 343.2% | \$ 22,265,014 | 336.1% |
| L. Unfunded Actuarial Present Value of Vested Accrued Benefits (K. - D.2., not less than zero) | \$ 0 | 0.0% | \$ 0 | 0.0% |
| M. Vested Benefit Security Ratio (D.2. ÷ K.) | 106.4% | N/A | 108.6% | N/A |

General Employees / Senior Management Employees

Summary of Retirement Plan Costs as of October 1, 2019

| | Prior Assumptions | | Current Assumptions | |
|---|-------------------|---------------------|---------------------|---------------------|
| | <u>Cost Data</u> | <u>% of Payroll</u> | <u>Cost Data</u> | <u>% of Payroll</u> |
| A. Participant Data Summary (Table III) | | | | |
| 1. Active Employees | 69 | N/A | 69 | N/A |
| 2. Terminated Vested | 3 | N/A | 3 | N/A |
| 3. Receiving Benefits (including DROPs) | 24 | N/A | 24 | N/A |
| 4. Annual Payroll of Active Employees | \$ 3,901,230 | 100.0% | \$ 3,901,230 | 100.0% |
| B. Total Normal Cost | | | | |
| 1. Age Retirement Benefits | \$ 406,402 | 10.4% | \$ 400,282 | 10.3% |
| 2. Deferred Vesting Benefits | 85,280 | 2.2% | 83,726 | 2.1% |
| 3. Disability Benefits | 48,446 | 1.2% | 49,616 | 1.3% |
| 4. Return of Employee Contributions | 14,675 | 0.4% | 13,464 | 0.3% |
| 5. Administrative Expenses | 44,455 | 1.1% | 44,455 | 1.1% |
| 6. Total Annual Normal Cost | \$ 599,258 | 15.4% | \$ 591,543 | 15.2% |
| C. Total Actuarial Accrued Liability | | | | |
| 1. Active Employees | \$ 7,651,705 | 196.1% | \$ 7,528,732 | 193.0% |
| 2. Service Retirees and Beneficiaries (including DROPs) | 4,281,031 | 109.7% | 4,212,804 | 108.0% |
| 3. Disabilities | 0 | 0.0% | 0 | 0.0% |
| 4. Terminated Vested Members | 209,097 | 5.4% | 205,433 | 5.3% |
| 5. Miscellaneous Liability | 0 | 0.0% | 0 | 0.0% |
| 6. Total Actuarial Accrued Liability | \$ 12,141,833 | 311.2% | \$ 11,946,969 | 306.2% |
| D. Plan Assets | | | | |
| 1. Smoothed Actuarial Value | \$ 9,053,092 | 232.1% | \$ 9,053,092 | 232.1% |
| 2. Market Value | \$ 8,974,225 | 230.0% | \$ 8,974,225 | 230.0% |
| E. Unfunded Actuarial Accrued Liability (C - D.1.) | | | | |
| | \$ 3,088,741 | 79.2% | \$ 2,893,877 | 74.2% |
| F. Minimum Required Contribution | | | | |
| 1. Total Normal Cost | \$ 599,258 | 15.4% | \$ 591,543 | 15.2% |
| 2. Amortization of Unfunded Liability | 246,157 | 6.3% | 231,146 | 5.9% |
| 3. Interest Adjustment | 10,532 | 0.3% | 10,532 | 0.3% |
| 4. Total Contribution | \$ 855,947 | 21.9% | \$ 833,221 | 21.4% |

General Employees / Senior Management Employees

Summary of Retirement Plan Costs as of October 1, 2019

| | Prior Assumptions | | Current Assumptions | |
|--|-------------------|---------------|---------------------|---------------|
| | Cost Data | % of Payroll | Cost Data | % of Payroll |
| G. Expected Payroll of Active Employees for 2020 - 2021 Plan Year (\$3,901,230 x 1.000) | \$ 3,901,230 | 100.0% | \$ 3,901,230 | 100.0% |
| H. Expected Contribution Sources (percent of expected 2020 - 2021 payroll) | | | | |
| 1. Town | \$ 544,343 | 14.0% | \$ 521,617 | 13.4% |
| 2. State | N/A | N/A | N/A | N/A |
| 3. Employees | 311,604 | 8.0% | 311,604 | 8.0% |
| I. Years to Which Contribution Applies: | | | | |
| 1. Plan Year Ending | | | September 30, 2021 | |
| 2. Town Fiscal Year Ending | | | September 30, 2021 | |
| 3. Assumed Date of Town Contribution | | | October 1, 2020 | |
| J. Actuarial Gain / (Loss) (Table VI) | \$ (168,055) | (4.3%) | \$ (168,055) | (4.3%) |
| K. Actuarial Present Value of Vested Accrued Benefits | | | | |
| 1. Members Currently Receiving Benefits (including DROPs) | \$ 4,281,031 | 109.7% | \$ 4,212,804 | 108.0% |
| 2. Terminated Vested Members Entitled to Future Benefits and Miscellaneous | 209,097 | 5.4% | 205,433 | 5.3% |
| 3. Active Employees | <u>4,498,893</u> | <u>115.3%</u> | <u>4,426,967</u> | <u>113.5%</u> |
| 4. Total Actuarial Present Value of Vested Accrued Benefits | \$ 8,989,021 | 230.4% | \$ 8,845,204 | 226.7% |
| L. Unfunded Actuarial Present Value of Vested Accrued Benefits (K. - D.2., not less than zero) | \$ 14,796 | 0.4% | \$ 0 | 0.0% |
| M. Vested Benefit Security Ratio (D.2. ÷ K.) | 99.8% | N/A | 101.5% | N/A |

Police Officers

Summary of Retirement Plan Costs as of October 1, 2019

| | Prior Assumptions | | Current Assumptions | |
|---|-------------------|--------------|---------------------|--------------|
| | Cost Data | % of Payroll | Cost Data | % of Payroll |
| A. Participant Data Summary (Table III) | | | | |
| 1. Active Employees | 30 | N/A | 30 | N/A |
| 2. Terminated Vested | 3 | N/A | 3 | N/A |
| 3. Receiving Benefits (including DROPs) | 16 | N/A | 16 | N/A |
| 4. Annual Payroll of Active Employees | \$ 2,723,782 | 100.0% | \$ 2,723,782 | 100.0% |
| B. Total Normal Cost | | | | |
| 1. Age Retirement Benefits | \$ 616,071 | 22.6% | \$ 605,264 | 22.2% |
| 2. Deferred Vesting Benefits | 51,612 | 1.9% | 50,861 | 1.9% |
| 3. Disability Benefits | 105,882 | 3.9% | 108,200 | 4.0% |
| 4. Return of Employee Contributions | 7,158 | 0.3% | 6,377 | 0.2% |
| 5. Administrative Expenses | 73,757 | 2.7% | 73,757 | 2.7% |
| 6. Total Annual Normal Cost | \$ 854,480 | 31.4% | \$ 844,459 | 31.0% |
| C. Total Actuarial Accrued Liability | | | | |
| 1. Active Employees | \$ 11,780,779 | 432.5% | \$ 11,572,544 | 424.9% |
| 2. Service Retirees and Beneficiaries (including DROPs) | 4,444,824 | 163.2% | 4,264,253 | 156.6% |
| 3. Disabilities | 789,982 | 29.0% | 778,009 | 28.6% |
| 4. Terminated Vested Members | 710,898 | 26.1% | 688,552 | 25.3% |
| 5. Miscellaneous Liability | 0 | 0.0% | 0 | 0.0% |
| 6. Total Actuarial Accrued Liability | \$ 17,726,483 | 650.8% | \$ 17,303,358 | 635.3% |
| D. Plan Assets | | | | |
| 1. Smoothed Actuarial Value | \$ 15,348,074 | 563.5% | \$ 15,348,074 | 563.5% |
| 2. Market Value | \$ 15,214,367 | 558.6% | \$ 15,214,367 | 558.6% |
| E. Unfunded Actuarial Accrued Liability (C - D.1.) | \$ 2,378,409 | 87.3% | \$ 1,955,284 | 71.8% |
| F. Minimum Required Contribution | | | | |
| 1. Total Normal Cost | \$ 854,480 | 31.4% | \$ 844,459 | 31.0% |
| 2. Amortization of Unfunded Liability | 141,009 | 5.2% | 108,414 | 4.0% |
| 3. Interest Adjustment | 8,372 | 0.3% | 8,373 | 0.3% |
| 4. Total Contribution | \$ 1,003,861 | 36.9% | \$ 961,246 | 35.3% |

Police Officers

Summary of Retirement Plan Costs as of October 1, 2019

| | Prior Assumptions | | Current Assumptions | |
|--|-------------------|---------------------|---------------------|---------------------|
| | <u>Cost Data</u> | <u>% of Payroll</u> | <u>Cost Data</u> | <u>% of Payroll</u> |
| G. Expected Payroll of Active Employees for 2020 - 2021 Plan Year (\$2,723,782 x 1.000) | \$ 2,723,782 | 100.0% | \$ 2,723,782 | 100.0% |
| H. Expected Contribution Sources (percent of expected 2020 - 2021 payroll) | | | | |
| 1. Town | \$ 766,076 | 28.1% | \$ 723,461 | 26.6% |
| 2. State | 19,882 | 0.7% | 19,882 | 0.7% |
| 3. Employees | 217,903 | 8.0% | 217,903 | 8.0% |
| I. Years to Which Contribution Applies: | | | | |
| 1. Plan Year Ending | | | September 30, 2021 | |
| 2. Town Fiscal Year Ending | | | September 30, 2021 | |
| 3. Assumed Date of Town Contribution | | | October 1, 2020 | |
| J. Actuarial Gain / (Loss) (Table VI) | \$ 307,820 | 11.3% | \$ 307,820 | 11.3% |
| K. Actuarial Present Value of Vested Accrued Benefits | | | | |
| 1. Members Currently Receiving Benefits (including DROPs) | \$ 5,234,806 | 192.2% | \$ 5,042,262 | 185.1% |
| 2. Terminated Vested Members Entitled to Future Benefits and Miscellaneous | 710,898 | 26.1% | 688,552 | 25.3% |
| 3. Active Employees | <u>7,800,524</u> | <u>286.4%</u> | <u>7,688,996</u> | <u>282.3%</u> |
| 4. Total Actuarial Present Value of Vested Accrued Benefits | \$ 13,746,228 | 504.7% | \$ 13,419,810 | 492.7% |
| L. Unfunded Actuarial Present Value of Vested Accrued Benefits (K. - D.2., not less than zero) | \$ 0 | 0.0% | \$ 0 | 0.0% |
| M. Vested Benefit Security Ratio (D.2. ÷ K.) | 110.7% | N/A | 113.4% | N/A |

Table II

Both Groups Combined
Comparison of Cost Data of October 1, 2018 and October 1, 2019 Valuations

| | Actuarial Impact Statement October 1, 2018 | | Prior Assumptions October 1, 2019 | | Current Assumptions October 1, 2019 | |
|---|---|-----------------------------|--------------------------------------|-----------------------------|--|-----------------------------|
| | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation |
| A. Participants | | | | | | |
| 1. Active Employees | 95 | N/A | 99 | N/A | 99 | N/A |
| 2. Terminated Vested | 7 | N/A | 6 | N/A | 6 | N/A |
| 3. Receiving Benefits (including DROPs) | 38 | N/A | 40 | N/A | 40 | N/A |
| 4. Annual Payroll of Active Employees | \$ 6,183,349 | 100.0% | \$ 6,625,012 | 100.0% | \$ 6,625,012 | 100.0% |
| B. Total Normal Costs | \$ 1,361,114 | 22.0% | \$ 1,453,738 | 21.9% | \$ 1,436,002 | 21.7% |
| C. Total Actuarial Accrued Liability | \$ 28,181,601 | 455.8% | \$ 29,868,316 | 450.8% | \$ 29,250,327 | 441.5% |
| D. Smoothed Actuarial Value of Assets | \$ 23,030,736 | 372.5% | \$ 24,401,166 | 368.3% | \$ 24,401,166 | 368.3% |
| E. Unfunded Actuarial Accrued Liability | \$ 5,150,865 | 83.3% | \$ 5,467,150 | 82.5% | \$ 4,849,161 | 73.2% |
| F. Net Town Minimum Funding Payment | \$ 1,232,697 | 19.9% | \$ 1,310,419 | 19.8% | \$ 1,245,078 | 18.8% |
| G. Actuarial Gain / (Loss) | \$ (412,447) | (6.7%) | \$ 139,765 | 2.1% | \$ 139,765 | 2.1% |
| H. Unfunded Actuarial Present Value of Vested Accrued Benefits | \$ 0 | 0.0% | \$ 0 | 0.0% | \$ 0 | 0.0% |
| I. Vested Benefit Security Ratio | 108.7% | N/A | 106.4% | N/A | 108.6% | N/A |



**Table II
(Cont'd)**

General Employees / Senior Management Employees

Comparison of Cost Data of October 1, 2018 and October 1, 2019 Valuations

| | Actuarial Impact Statement October 1, 2018 | | Prior Assumptions October 1, 2019 | | Current Assumptions October 1, 2019 | |
|--|---|-----------------------------|--------------------------------------|-----------------------------|--|-----------------------------|
| | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation |
| A. Participants | | | | | | |
| 1. Active Employees | 64 | N/A | 69 | N/A | 69 | N/A |
| 2. Terminated Vested | 4 | N/A | 3 | N/A | 3 | N/A |
| 3. Receiving Benefits (including DROPs) | 24 | N/A | 24 | N/A | 24 | N/A |
| 4. Annual Payroll of Active Employees | \$ 3,422,731 | 100.0% | \$ 3,901,230 | 100.0% | \$ 3,901,230 | 100.0% |
| B. Total Normal Costs | \$ 499,645 | 14.6% | \$ 599,258 | 15.4% | \$ 591,543 | 15.2% |
| C. Total Actuarial Accrued Liability | \$ 11,516,750 | 336.5% | \$ 12,141,833 | 311.2% | \$ 11,946,969 | 306.2% |
| D. Smoothed Actuarial Value of Assets | \$ 8,784,384 | 256.6% | \$ 9,053,092 | 232.1% | \$ 9,053,092 | 232.1% |
| E. Unfunded Actuarial Accrued Liability | \$ 2,732,366 | 79.8% | \$ 3,088,741 | 79.2% | \$ 2,893,877 | 74.2% |
| F. Net Town Minimum Funding Payment | \$ 451,004 | 13.2% | \$ 544,343 | 14.0% | \$ 521,617 | 13.4% |
| G. Actuarial Gain / (Loss) | \$ (124,125) | (3.6%) | \$ (168,055) | (4.3%) | \$ (168,055) | (4.3%) |
| H. Unfunded Actuarial Present Value of Vested Accrued Benefits | \$ 0 | 0.0% | \$ 14,796 | 0.4% | \$ 0 | 0.0% |
| I. Vested Benefit Security Ratio | 103.7% | N/A | 99.8% | N/A | 101.5% | N/A |



**Table II
(Cont'd)**

Police Officers

Comparison of Cost Data of October 1, 2018 and October 1, 2019 Valuations

| | Actuarial Impact Statement October 1, 2018 | | Prior Assumptions October 1, 2019 | | Current Assumptions October 1, 2019 | |
|---|---|-----------------------------|--------------------------------------|-----------------------------|--|-----------------------------|
| | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation | Cost Data | % of Annual Compensation |
| A. Participants | | | | | | |
| 1. Active Employees | 31 | N/A | 30 | N/A | 30 | N/A |
| 2. Terminated Vested | 3 | N/A | 3 | N/A | 3 | N/A |
| 3. Receiving Benefits (including DROPs) | 14 | N/A | 16 | N/A | 16 | N/A |
| 4. Annual Payroll of Active Employees | \$ 2,760,618 | 100.0% | \$ 2,723,782 | 100.0% | \$ 2,723,782 | 100.0% |
| B. Total Normal Costs | \$ 861,469 | 31.2% | \$ 854,480 | 31.4% | \$ 844,459 | 31.0% |
| C. Total Actuarial Accrued Liability | \$ 16,664,851 | 603.7% | \$ 17,726,483 | 650.8% | \$ 17,303,358 | 635.3% |
| D. Smoothed Actuarial Value of Assets | \$ 14,246,352 | 516.1% | \$ 15,348,074 | 563.5% | \$ 15,348,074 | 563.5% |
| E. Unfunded Actuarial Accrued Liability | \$ 2,418,499 | 87.6% | \$ 2,378,409 | 87.3% | \$ 1,955,284 | 71.8% |
| F. Net Town Minimum Funding Payment | \$ 781,693 | 28.3% | \$ 766,076 | 28.1% | \$ 723,461 | 26.6% |
| G. Actuarial Gain / (Loss) | \$ (288,322) | (10.4%) | \$ 307,820 | 11.3% | \$ 307,820 | 11.3% |
| H. Unfunded Actuarial Present Value of Vested Accrued Benefits | \$ 0 | 0.0% | \$ 0 | 0.0% | \$ 0 | 0.0% |
| I. Vested Benefit Security Ratio | 112.0% | N/A | 110.7% | N/A | 113.4% | N/A |



**Characteristics of Participants in Actuarial
Valuation as of October 1, 2019**

| | General/ Senior Management Employees | Police Officers | Total |
|--|---|----------------------------|--------------|
| A. <u>Active Plan Participants Summary</u> | | | |
| 1. Active Participants Vested | 25 | 22 | 47 |
| 2. Active Participants Partially Vested | 17 | 0 | 17 |
| 3. Active Participants Non-Vested | 27 | 8 | 35 |
| 4. Total Active Participants | 69 | 30 | 99 |
| 5. Annual Payroll of Active Participants | \$ 3,901,230 | \$ 2,723,782 | \$ 6,625,012 |
| B. <u>Retired and Terminated Vested Participant Summary</u> | | | |
| 1. Service Retirees Receiving Benefits (including DROPs) | 18 | 11 | 29 |
| 2. Beneficiaries Receiving Benefits | 6 | 3 | 9 |
| 3. Disabled Participants Receiving Benefits | 0 | 2 | 2 |
| 4. Terminated Vested Participants Entitled to Future Benefits | 3 | 3 | 6 |

Statement of Assets as of October 1, 2019

| | <u>Market Value</u> |
|---|-------------------------|
| <u>Investments</u> | |
| Money market funds | \$ 315,310 |
| Certificates of deposit | 30,137 |
| U.S. Treasury securities | 177,751 |
| U.S. Government agency bonds | 266,401 |
| Municipal obligations | 340,534 |
| Corporate bonds | 2,299,474 |
| Mortgage backed securities | 2,868,698 |
| Equity securities | |
| - Common stock, American depositary receipts and ETFs | 6,855,861 |
| - Mutual funds | 8,510,516 |
| - Real estate investment trusts | 270,883 |
| SEI Trust | 707,514 |
| Core real estate fund | 1,487,439 |
| Total Investments | <u>\$ 24,130,518</u> |
| <u>Receivables</u> | |
| Accrued Interest | \$ 93,875 |
| Other receivables | 21,972 |
| Employee contributions | 21,948 |
| Due from broker | 0 |
| Prepaid expenses | 1,559 |
| Total Receivables | <u>\$ 139,354</u> |
| <u>Liabilities</u> | |
| Refunds payable | \$ 28,599 |
| Accounts payable | 52,681 |
| Due to broker | 0 |
| Total Liabilities | <u>\$ 81,280</u> |
| <u>Net Assets Available For Benefits</u> | <u>\$ 24,188,592</u> |

Table V

Reconciliation of Plan Assets

| | | <u>Market Value</u> |
|--|-------------|-------------------------|
| A. <u>Value of Assets as of October 1, 2018</u> | | \$ 23,309,376 |
| B. <u>Receipts during Period</u> | | |
| 1. Employee Contributions | | \$ 498,404 |
| 2. Service Purchase Contributions | | 0 |
| 3. Town Contributions | | 797,590 |
| 4. Net State Contributions | | 19,882 |
| 5. Net Investment Return | | |
| i. Interest, Dividends and Other Income | \$ 707,594 | |
| ii. Realized Gains / (Losses) | 1,570,398 | |
| iii. Unrealized Gains / (Losses) | (1,182,480) | |
| iv. Investment Expenses | (105,139) | |
| v. Net Investment Return | | <u>990,373</u> |
| 6. Total Receipts during Period | | \$ 2,306,249 |
| C. <u>Disbursements during Period</u> | | |
| 1. Benefit Payments | | \$ 867,674 |
| 2. DROP Distributions | | 295,143 |
| 3. Contribution Refunds | | 146,004 |
| 4. Administrative Expenses | | <u>118,212</u> |
| 5. Total Disbursements during Period | | \$ 1,427,033 |
| D. <u>Value of Assets as of September 30, 2019</u> | | \$ 24,188,592 |
| E. <u>Approximate Rate of Return:</u> (Net of Investment Expense) | | 4.26% |
| F. <u>Reconciliation of DROP Account Balances</u> | | |
| 1. DROP Accounts Balance as of October 1, 2018 | | \$ 306,694 |
| 2. Benefit Payments into DROP Accounts during Year | | 35,547 |
| 3. Investment Gains / (Losses) during Year | | (24,355) |
| 4. Distributions from DROP Accounts during Year | | <u>(295,143)</u> |
| 5. DROP Accounts Balance as of September 30, 2019 | | \$ 22,743 |

**Table V
(Cont'd)**

Development of Smoothed Actuarial Value of Assets as of September 30

| | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| A. Preliminary smoothed actuarial value from prior year | 21,040,409 | 23,030,736 | 24,401,166 | | | |
| B. Market value end of year | 23,309,376 | 24,188,592 | | | | |
| C. Market beginning of year | 21,292,601 | 23,309,376 | 24,188,592 | | | |
| D. Non-investment net cash flow | 436,959 | (111,157) | | | | |
| E. Investment return | | | | | | |
| 1. Total market value return: B. - C. - D. | 1,579,816 | 990,373 | | | | |
| 2. Amount for immediate recognition (7.25%) | 1,559,553 | 1,685,900 | | | | |
| 3. Amount for phased-in recognition: E.1. - E.2. | 20,263 | (695,527) | | | | |
| F. Phased-in recognition of investment return | | | | | | |
| 1. Current year: 20% of E.3. | 4,053 | (139,105) | | | | |
| 2. First prior year | 127,859 | 4,053 | (139,105) | | | |
| 3. Second prior year | 75,973 | 127,859 | 4,053 | (139,105) | | |
| 4. Third prior year | (273,095) | 75,973 | 127,859 | 4,053 | (139,105) | |
| 5. Fourth prior year | 59,025 | (273,093) | 75,971 | 127,861 | 4,051 | (139,107) |
| 6. Total phased-in recognition of investment return | (6,185) | (204,313) | 68,778 | (7,191) | (135,054) | (139,107) |
| G. Smoothed actuarial value end of year | | | | | | |
| 1. Preliminary smoothed actuarial value end of year: | | | | | | |
| A. + D. + E.2. + F.6. | 23,030,736 | 24,401,166 | | | | |
| 2. Upper corridor limit: 120% of B. | 27,971,251 | 29,026,310 | | | | |
| 3. Lower corridor limit: 80% of B. | 18,647,501 | 19,350,874 | | | | |
| 4. Smoothed actuarial value end of year: | | | | | | |
| G.1., not more than G.2., nor less than G.3. | 23,030,736 | 24,401,166 | | | | |
| H. Difference between market value and smoothed actuarial value | 278,640 | (212,574) | | | | |
| I. Smoothed actuarial value rate of return | 7.31% | 6.45% | | | | |
| J. Market value rate of return | 7.34% | 4.26% | | | | |



Allocation of Smoothed Actuarial Value of Assets for Budgeting Purposes

| | <u>General / Senior Management Employees</u> | <u>Police Officers</u> | <u>Total</u> |
|---|--|----------------------------|------------------|
| A. <u>Value of Smoothed Assets as of October 1, 2018</u> | \$ 8,784,384 | \$ 14,246,352 | \$ 23,030,736 |
| B. <u>Receipts During Period</u> | | | |
| 1. Employee Contributions | \$ 287,819 | \$ 210,585 | \$ 498,404 |
| 2. Service Purchases | 0 | 0 | 0 |
| 3. Town Contributions | 243,599 | 553,991 | 797,590 |
| 4. State Contributions | 0 | 19,882 | 19,882 |
| 5. Net Investment Return | <u>557,173</u> | <u>924,414</u> | <u>1,481,587</u> |
| 6. Total Receipts During Period | \$ 1,088,591 | \$ 1,708,872 | \$ 2,797,463 |
| C. <u>Disbursements During Period</u> | | | |
| 1. Pension Benefit Payments | \$ 437,810 | \$ 429,864 | \$ 867,674 |
| 2. DROP Distributions | 295,143 | 0 | 295,143 |
| 3. Contribution Refunds | 42,475 | 103,529 | 146,004 |
| 4. Administrative Expenses | <u>44,455</u> | <u>73,757</u> | <u>118,212</u> |
| 5. Total Disbursements During Period | \$ 819,883 | \$ 607,150 | \$ 1,427,033 |
| D. <u>Value of Smoothed Assets as of September 30, 2019</u> | \$ 9,053,092 | \$ 15,348,074 | \$ 24,401,166 |

Actuarial Gain / (Loss) for Plan Year Ended September 30, 2019

| | General / Senior Management Employees | Police Officers | Total |
|--|--|----------------------|----------------------|
| A. Derivation of Actuarial Gain / (Loss) | | | |
| 1. Town normal cost previous Actuarial Impact Statement | \$ 226,249 | \$ 640,620 | \$ 866,869 |
| 2. Unfunded actuarial accrued liability (UAAL) previous Actuarial Impact Statement | 2,732,366 | 2,418,499 | 5,150,865 |
| 3. Employer contributions previous year | | | |
| (a) Town | 243,599 | 553,991 | 797,590 |
| (b) State | 0 | 19,882 | 19,882 |
| (c) Total | <u>\$ 243,599</u> | <u>\$ 573,873</u> | <u>\$ 817,472</u> |
| 4. Interest on: | | | |
| (a) Employer normal cost | \$ 16,403 | \$ 46,445 | \$ 62,848 |
| (b) Unfunded actuarial accrued liability | 198,097 | 175,341 | 373,438 |
| (c) Contribution | 8,830 | 20,803 | 29,633 |
| (d) Net total: (a) + (b) - (c) | <u>\$ 205,670</u> | <u>\$ 200,983</u> | <u>\$ 406,653</u> |
| 5. Increase (decrease) in unfunded actuarial accrued liability due to assumption changes | \$ (194,864) | \$ (423,125) | \$ (617,989) |
| 6. Expected unfunded actuarial accrued liability current year (1. + 2. - 3. + 4. + 5.) | \$ 2,725,822 | \$ 2,263,104 | \$ 4,988,926 |
| 7. Actual unfunded actuarial accrued liability current year | \$ 2,893,877 | \$ 1,955,284 | \$ 4,849,161 |
| 8. Actuarial gain / (loss): (6. - 7.) | \$ (168,055) | \$ 307,820 | \$ 139,765 |
| B. Approximate Portion of Gain / (Loss) due to Investments | | | |
| 1. Smoothed actuarial value of assets previous year | \$ 8,784,384 | \$ 14,246,352 | \$ 23,030,736 |
| 2. Contributions during period | 531,418 | 784,458 | 1,315,876 |
| 3. Benefits and administrative expenses during period | 819,883 | 607,150 | 1,427,033 |
| 4. Expected appreciation for period | 626,411 | 1,039,288 | 1,665,699 |
| 5. Expected smoothed actuarial value of assets current year (1. + 2. - 3. + 4.) | <u>\$ 9,122,330</u> | <u>\$ 15,462,948</u> | <u>\$ 24,585,278</u> |
| 6. Actual smoothed actuarial value of assets current year | 9,053,092 | 15,348,074 | 24,401,166 |
| 7. Approximate gain / (loss) due to investments: (6. - 5.) | \$ (69,238) | \$ (114,874) | \$ (184,112) |
| C. Approximate Portion of Gain / (Loss) due to Liabilities: A.8. - B.7. | | | |
| | \$ (98,817) | \$ 422,694 | \$ 323,877 |

Table VII

Amortization of Unfunded Actuarial Accrued Liability

| <u>Valuation Date</u> | <u>Unfunded Liability</u> | <u>Amortization Payment</u> |
|-----------------------|---------------------------|-----------------------------|
| 10/01/2019 | \$ 4,849,161 | \$ 339,560 |
| 10/01/2020 | \$ 4,836,547 | \$ 339,560 |
| 10/01/2021 | \$ 4,823,019 | \$ 339,560 |
| 10/01/2022 | \$ 4,808,510 | \$ 339,560 |
| 10/01/2023 | \$ 4,792,949 | \$ 339,560 |
| ... | ... | ... |
| 10/01/2049 | \$ 0 | \$ 0 |



Both Groups Combined

Accounting Disclosure Exhibit

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|--|--|---|---|
| I. <u>Financial Accounting Standards Board Allocation as of</u> | | | |
| A. <u>Statement of Accumulated Plan Benefits</u> | | | |
| 1. Actuarial present value of accumulated vested plan benefits | | | |
| a. Participants currently receiving benefits | \$ 9,329,516 | \$ 9,515,837 | \$ 9,255,066 |
| b. Other participants | 12,234,893 | 13,219,412 | 13,009,948 |
| c. Total | <u>\$ 21,564,409</u> | <u>\$ 22,735,249</u> | <u>\$ 22,265,014</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>1,079,441</u> | <u>1,330,996</u> | <u>1,319,079</u> |
| 3. Total actuarial present value of accumulated plan benefits | \$ 22,643,850 | \$ 24,066,245 | \$ 23,584,093 |
| B. <u>Statement of Change in Accumulated Plan Benefits</u> | | | |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2018 | | | \$ 22,643,850 |
| 2. Increase / (decrease) during year attributable to: | | | |
| a. Plan amendment | | | \$ 0 |
| b. Change in actuarial assumptions | | | (482,152) |
| c. Benefits paid (includes refunds and DROP distributions) | | | (1,308,821) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | | <u>2,731,216</u> |
| e. Net increase | | | <u>\$ 940,243</u> |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2019 | | | \$ 23,584,093 |
| C. <u>Significant Matters Affecting Calculations</u> | | | |
| 1. Assumed rate of return used in determining actuarial present values | | | 7.25% |
| 2. Change in Plan provisions | | | None. |
| 3. Change in actuarial assumptions | | | See Table X., Item K. |

General Employees / Senior Management Employees

Accounting Disclosure Exhibit

| I. <u>Financial Accounting Standards Board Allocation as of</u> | <u>Actuarial Impact Statement 10/01/2018</u> | <u>Prior Assumptions 10/01/2019</u> | <u>Current Assumptions 10/01/2019</u> |
|--|--|---|---|
| A. <u>Statement of Accumulated Plan Benefits</u> | | | |
| 1. Actuarial present value of accumulated vested plan benefits | | | |
| a. Participants currently receiving benefits | \$ 4,291,037 | \$ 4,281,031 | \$ 4,212,804 |
| b. Other participants | 4,282,009 | 4,707,990 | 4,632,400 |
| c. Total | <u>\$ 8,573,046</u> | <u>\$ 8,989,021</u> | <u>\$ 8,845,204</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>598,248</u> | <u>740,538</u> | <u>738,812</u> |
| 3. Total actuarial present value of accumulated plan benefits | \$ 9,171,294 | \$ 9,729,559 | \$ 9,584,016 |
| B. <u>Statement of Change in Accumulated Plan Benefits</u> | | | |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2018 | | | \$ 9,171,294 |
| 2. Increase / (decrease) during year attributable to: | | | |
| a. Plan amendment | | | \$ 0 |
| b. Change in actuarial assumptions | | | (145,543) |
| c. Benefits paid (includes refunds and DROP distributions) | | | (775,428) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | | 1,333,693 |
| e. Net increase | | | <u>\$ 412,722</u> |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2019 | | | \$ 9,584,016 |
| C. <u>Significant Matters Affecting Calculations</u> | | | |
| 1. Assumed rate of return used in determining actuarial present values | | | 7.25% |
| 2. Change in Plan provisions | | | None. |
| 3. Change in actuarial assumptions | | | See Table X., Item K. |

Police Officers

Accounting Disclosure Exhibit

| I. <u>Financial Accounting Standards Board Allocation as of</u> | <u>Actuarial Impact Statement 10/01/2018</u> | <u>Prior Assumptions 10/01/2019</u> | <u>Current Assumptions 10/01/2019</u> |
|--|--|---|---|
| A. <u>Statement of Accumulated Plan Benefits</u> | | | |
| 1. Actuarial present value of accumulated vested plan benefits | | | |
| a. Participants currently receiving benefits | \$ 5,038,479 | \$ 5,234,806 | \$ 5,042,262 |
| b. Other participants | 7,952,884 | 8,511,422 | 8,377,548 |
| c. Total | <u>\$ 12,991,363</u> | <u>\$ 13,746,228</u> | <u>\$ 13,419,810</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>481,193</u> | <u>590,458</u> | <u>580,267</u> |
| 3. Total actuarial present value of accumulated plan benefits | <u>\$ 13,472,556</u> | <u>\$ 14,336,686</u> | <u>\$ 14,000,077</u> |
| B. <u>Statement of Change in Accumulated Plan Benefits</u> | | | |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2018 | | | \$ 13,472,556 |
| 2. Increase / (decrease) during year attributable to: | | | |
| a. Plan amendment | | | \$ 0 |
| b. Change in actuarial assumptions | | | (336,609) |
| c. Benefits paid (includes refunds and DROP distributions) | | | (533,393) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | | 1,397,523 |
| e. Net increase | | | <u>\$ 527,521</u> |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2019 | | | \$ 14,000,077 |
| C. <u>Significant Matters Affecting Calculations</u> | | | |
| 1. Assumed rate of return used in determining actuarial present values | | | 7.25% |
| 2. Change in Plan provisions | | | None. |
| 3. Change in actuarial assumptions | | | See Table X., Item K. |

Accounting Disclosure Exhibit

II. Net Pension Liability and Related Ratios (GASB No. 67 & No. 68)

| Measurement date | 9/30/2014 | 9/30/2015 | 9/30/2016 | 9/30/2017 | 9/30/2018 | 9/30/2019 | Projected 9/30/2020 * |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|--------------------------|
| A. Total Pension Liability (TPL) | | | | | | | |
| Service Cost | \$ 888,988 | \$ 901,998 | \$ 932,365 | \$ 1,052,014 | \$ 1,002,537 | \$ 1,113,128 | \$ 1,317,790 |
| Interest | 1,227,596 | 1,336,817 | 1,458,652 | 1,646,114 | 1,745,881 | 1,870,676 | 2,183,356 |
| Benefit Changes | 35,244 | 0 | 0 | 282,066 | 0 | 0 | 2,630,481 |
| Difference Between Actual and Expected Experience | 170,264 | 100,031 | (35,527) | 297,252 | (348,726) | 388,826 | (293,683) |
| Assumption Changes | 0 | 0 | 402,655 | 93,312 | 0 | 0 | (617,989) |
| Benefit Payments, including Refunds of Member Contributions | (545,746) | (665,021) | (602,692) | (651,287) | (819,116) | (1,308,821) | (905,710) |
| Net Change in Total Pension Liability | \$ 1,776,346 | \$ 1,673,825 | \$ 2,155,453 | \$ 2,719,471 | \$ 1,580,576 | \$ 2,063,809 | \$ 4,314,245 |
| Total Pension Liability (TPL) - (beginning of year) | 15,562,038 | 17,338,384 | 19,012,209 | 21,167,662 | 23,887,133 | 25,467,709 | 27,531,518 |
| Total Pension Liability (TPL) - (end of year) | \$ 17,338,384 | \$ 19,012,209 | \$ 21,167,662 | \$ 23,887,133 | \$ 25,467,709 | \$ 27,531,518 | \$ 31,845,763 |
| B. Plan Fiduciary Net Position | | | | | | | |
| Contributions - Town and State | \$ 631,584 | \$ 727,022 | \$ 757,304 | \$ 797,359 | \$ 917,274 | \$ 817,472 | \$ 945,871 |
| Contributions - Member | 349,600 | 391,213 | 383,619 | 462,846 | 459,190 | 498,404 | 529,507 |
| Net Investment Income | 1,396,431 | (132,329) | 1,850,417 | 2,017,750 | 1,579,816 | 990,373 | 1,770,038 |
| Benefit Payments, including Refunds of Member Contributions | (545,746) | (665,021) | (602,692) | (651,287) | (819,116) | (1,308,821) | (905,710) |
| Administrative Expenses | (80,194) | (85,426) | (130,686) | (85,518) | (120,389) | (118,212) | (118,212) |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Change in Plan Fiduciary Net Position | \$ 1,751,675 | \$ 235,459 | \$ 2,257,962 | \$ 2,541,150 | \$ 2,016,775 | \$ 879,216 | \$ 2,221,494 |
| Plan Fiduciary Net Position - (beginning of year) | 14,506,355 | 16,258,030 | 16,493,489 | 18,751,451 | 21,292,601 | 23,309,376 | 24,188,592 |
| Plan Fiduciary Net Position - (end of year) | \$ 16,258,030 | \$ 16,493,489 | \$ 18,751,451 | \$ 21,292,601 | \$ 23,309,376 | \$ 24,188,592 | \$ 26,410,086 |
| C. Net Pension Liability (NPL) - (end of year): (A) - (B) | \$ 1,080,354 | \$ 2,518,720 | \$ 2,416,211 | \$ 2,594,532 | \$ 2,158,333 | \$ 3,342,926 | \$ 5,435,677 |
| D. Plan Fiduciary Net Position as a Percentage of TPL: (B) / (A) | 93.77 % | 86.75 % | 88.59 % | 89.14 % | 91.53 % | 87.86 % | 82.93 % |
| E. Covered Payroll ** | \$ 5,103,795 | \$ 5,321,296 | \$ 5,710,172 | \$ 5,766,823 | \$ 5,849,505 | \$ 6,239,285 | \$ 6,625,012 |
| F. NPL as a Percentage of Covered Payroll: (C) / (E) | 21.17 % | 47.33 % | 42.31 % | 44.99 % | 36.90 % | 53.58 % | 82.05 % |
| G. Notes to Schedule: | | | | | | | |
| Valuation Date | 10/01/2013 | 10/01/2014 | 10/01/2015 | 10/01/2016 | 10/01/2017 | 10/01/2018 | 10/01/2019 |
| Reporting Date (GASB No. 68) | 9/30/2015 | 9/30/2016 | 9/30/2017 | 9/30/2018 | 9/30/2019 | 9/30/2020 | 9/30/2021 |

Update procedures used to roll forward TPL excluding DROP account balances to the measurement dates - actual DROP account balances as of measurement dates included in TPL.

See Table VIII, Item IV, for a history of benefit and assumption changes prior to September 30, 2019 measurement date. No benefit or assumption changes for September 30, 2019 measurement date.

* Projected - actual amounts will be available after fiscal year end.

** Reported payroll used to determine contribution as provided under GASB No. 82.



Accounting Disclosure Exhibit

III. Schedule of Employer Contributions (GASB No. 67 & No. 68)

| Fiscal Year End 9/30 | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll ^{1,2} | Actual Contribution as a % of Covered Payroll |
|-------------------------|---|------------------------|--|-----------------------------------|---|
| 2010 | \$ 553,919 | \$ 553,919 | \$ 0 | \$ 4,059,522 | 13.64% |
| 2011 | 625,963 | 625,963 | 0 | 4,016,852 | 15.58% |
| 2012 | 515,440 | 515,440 | 0 | 4,053,208 | 12.72% |
| 2013 | 534,209 | 534,209 | 0 | 4,359,957 | 12.25% |
| 2014 | 631,584 | 631,584 | 0 | 5,103,795 | 12.37% |
| 2015 | 727,022 | 727,022 | 0 | 5,321,296 | 13.66% |
| 2016 | 757,304 | 757,304 | 0 | 5,710,172 | 13.26% |
| 2017 | 797,359 | 797,359 | 0 | 5,766,823 | 13.83% |
| 2018 | 917,274 | 917,274 | 0 | 5,849,505 | 15.68% |
| 2019 | 817,472 | 817,472 | 0 | 6,239,285 | 13.10% |
| 2020 ³ | 945,871 | 945,871 | 0 | 6,625,012 | 14.28% |

¹ Projected prior to fiscal year ended September 30, 2014

² Reported payroll on which contributions to the Plan are based as provided under GASB No. 82

³ Projected - actual amounts will be available after fiscal year end

Accounting Disclosure Exhibit

IV. Notes to Schedule of Contributions (GASB No. 67 & No. 68)

Valuation Date: Actuarially determined contributions are calculated as of October 1st - two years prior the fiscal year end in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year Ended September 30, 2019:

| | |
|---------------------------|--|
| Actuarial Cost Method | Entry Age |
| Amortization Method | Level dollar amount, Closed |
| Amortization Period | 30 years |
| Asset Valuation Method | 5-year smoothed market |
| Inflation | 2.5% |
| Salary Increases | 4.0% - 8.0% |
| Investment Rate of Return | 7.25% |
| Retirement Age | Experience-based table of rates that are specific to the type of eligibility condition |

Mortality For healthy Police Officers during employment, RP 2000 Combined Healthy Participant Mortality Tables, separate rates for males and females, with 10% White Collar / 90% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy Police Officers post employment, RP 2000 Annuitant Mortality Tables, separate rates for males and females, with 10% White Collar / 90% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For healthy General Employees during employment, RP 2000 Combined Male Healthy Participant Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment for males - RP 2000 Combined Female Healthy Participant Mortality Table, with White Collar Adjustment for females and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy General Employees post employment, RP 2000 Annuitant Male Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment for males - RP 2000 Annuitant Female Mortality Table, with White Collar Adjustment for females and fully generational mortality improvements projected to each future decrement date with Scale BB.

For disabled male Police Officers, 60% RP 2000 Disabled Male Mortality Table setback four years / 40% RP 2000 Annuitant Male Mortality Table, with White Collar Adjustment and no setback, without projected mortality improvements. For disabled female Police Officers, 60% RP 2000 Disabled Female Mortality Table set forward two years / 40% RP 2000 Annuitant Female Mortality Table, with White Collar Adjustment, without projected mortality improvements.

For disabled male General Employees, RP 2000 Disabled Male Mortality Table, setback four years, without projected mortality improvements. For disabled female General Employees, RP 2000 Disabled Female Mortality Table, set forward two years, without projected mortality improvements.

Cost of Living Adjustment 1.5%

Other Information:

Benefit Changes

2016: Created a senior management member class, changed retirement eligibility and vesting for Town Attorney along with increased benefit accrual rates, benefit cap and employee contributions for general employees and senior management. 2013: Police Officers - normal retirement eligibility updated to include completion of 15 years and 4 months of service if hired on a full time basis in March 2003; General Employees - may enter DROP upon attainment of normal retirement. 2012: Police Officers - normal retirement eligibility updated to the earliest of (1) age 52 with 20 years of Creditable Service, (2) age 62 with 5 years of Creditable Service or (3) completion of 25 years of Creditable Service. 2011: Town Manager and Town Attorney allowed to opt out of Plan. 2009: Member contributions picked-up by the Town.



Accounting Disclosure Exhibit

IV. Notes to Schedule of Contributions (GASB No. 67 & No. 68) (cont'd)

Assumption Changes

2016: Mortality rates updated for healthy participants per State statute. 2015: Investment return updated from 7.5% to 7.25%; mortality, withdrawal rates, salary increase factors and retirement rates updated. 2012: Mortality assumption for healthy General Employees updated to RP 2000 Combined Mortality Table (RP 2000 Disabled Mortality Table for disabled lives), separate rates for males and females, 15 years generational projection from valuation date for actives - 7 years generational projection from valuation date for inactive with Scale AA; mortality assumption for healthy Police Officer participants updated to RP 2000 Combined Mortality Table with Blue Collar Adjustment, separate rates for males and females, 15 years generational projection from valuation date for actives - 7 years generational projection from valuation date for inactive with Scale AA. 2010: Salary increase factors updated.

V. Discount Rate (GASB No. 67 & No. 68)

A discount rate of 7.25% was used to measure the TPL. This discount rate was based on the expected rate of return on Plan investments of 7.25%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current member contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined current contribution rates and the member contribution rate. Based on these assumptions, the pension Plan's fiduciary net position was projected to be available to make all projected future expected benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the TPL.

VI. Sensitivity of the NPL to the Discount Rate Assumption (GASB No. 67 & No. 68)

Measurement date: September 30, 2019

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---------------|--------------|--------------------------|-------------|
| Discount Rate | 6.25% | 7.25% | 8.25% |
| NPL | \$ 7,398,878 | \$ 3,342,926 | \$ 36,212 |

Measurement date: September 30, 2020 *

| | 1% Decrease | Current Discount Rate | 1% Increase |
|---------------|---------------|--------------------------|--------------|
| Discount Rate | 6.25% | 7.25% | 8.25% |
| NPL | \$ 10,087,626 | \$ 5,435,677 | \$ 1,642,986 |

* Projected - actual amounts will be available after fiscal year end

Accounting Disclosure Exhibit

VII. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Reporting Date (GASB No. 68)

Pension Expense for Fiscal Year Ending September 30, 2020 \$ 1,235,605

Summary of Outstanding Deferred Inflows and Outflows of Resources as of September 30, 2020

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between actual and expected experience on liabilities | \$ 531,363 | \$ 245,455 |
| Changes of assumptions or other inputs | 195,165 | 0 |
| Net difference between projected and actual earnings on pension Plan investments | <u>160,571</u> | <u>0</u> |
| Total | <u>\$ 887,099</u> | <u>\$ 245,455</u> |

Projected Deferred Outflows for Town Contributions to Be Recognized in Pension Expense for Fiscal Year Ending September 30, 2021 \$ 925,989

Summary of Deferred Outflows and Inflows of Resources that will be Recognized in Pension Expense in Future Years.

| <u>Year Ending 30-Sep</u> | <u>Amount</u> |
|-------------------------------|---------------|
| 2021 | \$ 44,800 |
| 2022 | 148,250 |
| 2023 | 221,151 |
| 2024 | 157,327 |
| 2025 | 63,742 |
| Thereafter | 6,374 |

Table VIII
(Cont'd)

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

VIII. Components of Pension Expense (GASB No. 68)

| Measurement Date | 9/30/2014 | 9/30/2015 | 9/30/2016 | 9/30/2017 | 9/30/2018 | 9/30/2019 | Projected 9/30/2020 * |
|--|-------------|-------------|--------------|--------------|--------------|--------------|--------------------------|
| Service Cost | \$ 888,988 | \$ 901,998 | \$ 932,365 | \$ 1,052,014 | \$ 1,002,537 | \$ 1,113,128 | \$ 1,317,790 |
| Interest on Total Pension Liability | 1,227,596 | 1,336,817 | 1,458,652 | 1,646,114 | 1,745,881 | 1,870,676 | 2,183,356 |
| Current-Period Benefit Changes | 35,244 | 0 | 0 | 282,066 | 0 | 0 | 2,630,481 |
| Contributions - Member | (349,600) | (391,213) | (383,619) | (462,846) | (459,190) | (498,404) | (529,507) |
| Projected Earnings on Plan Investments | (1,101,298) | (1,233,144) | (1,210,551) | (1,378,453) | (1,559,553) | (1,685,900) | (1,770,038) |
| Administrative Expenses | 80,194 | 85,426 | 130,686 | 85,518 | 120,389 | 118,212 | 118,212 |
| Other Changes in Plan Fiduciary Net Position | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Recognition of Beginning Deferred Outflows / (Inflows) due to Liabilities | 23,981 | 38,691 | 96,965 | 159,959 | 101,838 | 165,580 | 5,639 |
| Recognition of Beginning Deferred Outflows / (Inflows) due to Assets | (59,027) | 214,068 | 86,095 | (41,764) | (45,815) | 152,313 | (120,781) |
| Total Pension Expense | \$ 746,078 | \$ 952,643 | \$ 1,110,593 | \$ 1,342,608 | \$ 906,087 | \$ 1,235,605 | \$ 3,835,152 |

* Projected - actual amounts will be available after measurement date



Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

IX. Recognition of Deferred Outflows and (Inflows) due to Liabilities - Measurement Date (GASB No. 68)

Recognition of Deferred Outflows due to Differences Between Actual and Expected Experience on Liabilities

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2019 | Recognition Amount for 2018 / 2019 | Balance as of 9/30/2019 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 170,264 | 7.1 | 1.1 | \$ 23,981 | \$ 26,378 |
| 2014 / 2015 | 100,031 | 6.8 | 1.8 | 14,710 | 26,481 |
| 2015 / 2016 | 0 | 6.3 | 2.3 | 0 | 0 |
| 2016 / 2017 | 297,252 | 6.2 | 3.2 | 47,944 | 153,420 |
| 2017 / 2018 | 0 | 6.0 | 4.0 | 0 | 0 |
| 2018 / 2019 | 388,826 | 6.1 | 5.1 | 63,742 | 325,084 |
| TOTAL | | | | \$ 150,377 | \$ 531,363 |

Recognition of Deferred (Inflows) due to Differences Between Actual and Expected Experience on Liabilities

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2019 | Recognition Amount for 2018 / 2019 | Balance as of 9/30/2019 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 0 | 7.1 | 1.1 | \$ 0 | \$ 0 |
| 2014 / 2015 | 0 | 6.8 | 1.8 | 0 | 0 |
| 2015 / 2016 | (35,527) | 6.3 | 2.3 | (5,639) | (12,971) |
| 2016 / 2017 | 0 | 6.2 | 3.2 | 0 | 0 |
| 2017 / 2018 | (348,726) | 6.0 | 4.0 | (58,121) | (232,484) |
| 2018 / 2019 | 0 | 6.1 | 5.1 | 0 | 0 |
| TOTAL | | | | \$ (63,760) | \$ (245,455) |

Recognition of Deferred Outflows due to Changes of Assumptions or Other Inputs

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2019 | Recognition Amount for 2018 / 2019 | Balance as of 9/30/2019 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 0 | 7.1 | 1.1 | \$ 0 | \$ 0 |
| 2014 / 2015 | 0 | 6.8 | 1.8 | 0 | 0 |
| 2015 / 2016 | 402,655 | 6.3 | 2.3 | 63,913 | 147,003 |
| 2016 / 2017 | 93,312 | 6.2 | 3.2 | 15,050 | 48,162 |
| 2017 / 2018 | 0 | 6.0 | 4.0 | 0 | 0 |
| 2018 / 2019 | 0 | 6.1 | 5.1 | 0 | 0 |
| TOTAL | | | | \$ 78,963 | \$ 195,165 |

Accounting Disclosure Exhibit

The following information is not required to be disclosed but is provided for informational purposes.

IX. Recognition of Deferred Outflows and (Inflows) due to Liabilities - Measurement Date (GASB No. 68) (cont'd)

Recognition of Deferred (Inflows) due to Changes of Assumptions or Other Inputs

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2019 | Recognition Amount for 2018 / 2019 | Balance as of 9/30/2019 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2013 / 2014 | \$ 0 | 7.1 | 1.1 | \$ 0 | \$ 0 |
| 2014 / 2015 | 0 | 6.8 | 1.8 | 0 | 0 |
| 2015 / 2016 | 0 | 6.3 | 2.3 | 0 | 0 |
| 2016 / 2017 | 0 | 6.2 | 3.2 | 0 | 0 |
| 2017 / 2018 | 0 | 6.0 | 4.0 | 0 | 0 |
| 2018 / 2019 | 0 | 6.1 | 5.1 | 0 | 0 |
| TOTAL | | | | \$ 0 | \$ 0 |

X. Recognition of Deferred Outflows and (Inflows) Due to Assets - Measurement Date (GASB No. 68)

Recognition of Deferred Outflows / (Inflows) due to Difference Between Projected and Actual Earnings on Pension Plan Investments

| Established | Initial Balance | Initial Recognition Period | Remaining Recognition Period as of 9/30/2019 | Recognition Amount for 2018 / 2019 | Balance as of 9/30/2019 |
|-------------|-----------------|----------------------------|--|------------------------------------|-------------------------|
| 2014 / 2015 | \$ 1,365,473 | 5 | 0 | \$ 273,093 | \$ 0 |
| 2015 / 2016 | (639,866) | 5 | 1 | (127,973) | (127,974) |
| 2016 / 2017 | (639,297) | 5 | 2 | (127,859) | (255,720) |
| 2017 / 2018 | (20,263) | 5 | 3 | (4,053) | (12,157) |
| 2018 / 2019 | 695,527 | 5 | 4 | 139,105 | 556,422 |
| TOTAL | | | | \$ 152,313 | \$ 160,571 |

Outline of Principal Provisions of the Retirement Plan

A. Effective Date:

January 1, 1962. Most recent amendatory Ordinance considered: 2020-1711.

B. Eligibility Requirements:

All regular, full-time employees are eligible upon employment. The Town Manager and Town Attorney have the right to opt out of the Plan.

C. Creditable Service:

All service of a member measured in years and completed calendar months since latest date of hire with the Town.

D. Average Final Compensation (AFC):

The average of basic compensation during the highest three years (five years for General Employees) of the ten years preceding termination of employment; does not include bonuses, overtime, lump sum payments of unused leave or other nonregular payments.

E. Normal Retirement:

1. Eligibility:

For sworn Police Officers retired prior to February 1, 2020, the earliest of (1) age 52 with 20 years of Creditable Service, (2) age 62 with 5 years of Creditable Service, (3) completion of 25 years of Creditable Service or (4) the completion of 15 years and 4 months of service if hired on a full time basis in March 2003. For sworn Police Officers retired on or after February 1, 2020, the earliest of (1) age 50 with 20 years of Creditable Service, (2) age 59 with 5 years of Creditable Service, (3) completion of 25 years of Creditable Service or (4) the completion of 15 years and 4 months of service if hired on a full time basis in March 2003.

For a participating Town Manager and the Town Attorney, the earlier of (1) age 62 with 15 years of Creditable Service or (2) age 64 with 7 years of Creditable Service.

For all other employees who retire prior to January 1, 2020, the earliest of (1) age 62 with 15 years of Creditable Service or (2) age 65 with 10 years of Creditable Service. For all other employees who retire on or after January 1, 2020, the earliest of (1) age 50 with 20 years of Creditable Service or (2) age 52 with 15 years of Creditable Service or (3) age 55 with 10 years of Creditable Service.

2. Benefit:

| Period of Service | Benefit Accrual Rate per Year of Service Based on Employee Contribution Rate of | | | |
|-----------------------|---|------|--------------------|---|
| | 5% | 6% | 7% | 8% |
| Before 10/1/1979 | 1 2/3% | N/A | N/A | N/A |
| 10/1/1979 - 6/30/1996 | 1 2/3% | N/A | 2.0% | N/A |
| 7/1/1996 - 1/31/2003 | 1 2/3% | N/A | 2.0% | 2.5% |
| 2/1/2003 - 9/30/2005 | 2.0% | 2.5% | N/A | N/A |
| 10/1/2005 - 9/30/2006 | 2.0% | 2.5% | N/A | 3.0% ¹ |
| 10/1/2006 - 9/30/2016 | 2.0% | 2.5% | N/A | 3.5% ¹ |
| 10/1/2016 forward | N/A | N/A | 2.65% ² | 2.8% ² / 3.0% ³ / 3.5% ¹ |

Maximum benefit is 90% (75% prior to October 1, 2006) of AFC for Police Officers, 80% (68% prior to January 1, 2020, 60% prior to October 1, 2016) of AFC for General Employees and 80% (60% prior to October 1, 2016) of AFC for Senior Management Employees.

¹ For Police Officers only.

² For General Employees only.

³ For Senior Management Employees only.



Outline of Principal Provisions of the Retirement Plan

3. Form of Payment:

Straight life annuity with guaranteed refund of Accumulated Contributions (with options available).

F. Early Retirement:

1. Eligibility:

For sworn Police Officers, Town Manager and Attorney, the earlier of (a) age 55 with 15 years of Creditable Service, or (b) 20 years of Creditable Service regardless of age. For all other employees effective January 1, 2020, 20 years of Creditable Service regardless of age (prior to January 1, 2020 eligibility was the earlier of (a) age 55 with 15 years of Creditable Service, or (b) 20 years of Creditable Service regardless of age).

2. Benefit:

Same as Normal Retirement Benefit using AFC and Creditable Service as of Early Retirement Date but payable at Normal Retirement Date assuming continued employment. Alternatively, benefits may commence immediately after reduction of 0.5% for each month early.

G. Delayed Retirement:

1. Eligibility:

Retirement after Normal Retirement Date.

2. Benefit:

Calculated in the same manner as Normal Retirement Benefit using AFC and Creditable Service as of delayed retirement date.

H. Disability Retirement:

1. Service Connected:

a) Eligibility:

Total and permanent disability incurred prior to normal retirement date as a direct result of performance of service to the Town and eligible for Social Security disability benefits.

b) Benefit:

75% (if injury) or 45% (if disease) of the rate of pay in effect on date of disability payable for life or until recovery. For General Employees, less Social Security disability benefits; there is an offset for Workers' Compensation to the extent that the disability benefit plus the Workers' Compensation benefit exceed 100% of preretirement salary.

2. Non-Service Connected:

a) Eligibility:

Total and permanent disability not incurred as a direct result of performance of service to the Town.

Outline of Principal Provisions of the Retirement Plan

b) Benefit:

Accrued pension benefit.

i. Death Benefit:

1. Pre-Retirement:

Refund of Accumulated Contributions

2. After Normal Retirement Date but before Actual Retirement:

Survivor benefit payable in accordance with optional form of benefit chosen by member.

3. After Retirement:

Refund of any remaining Accumulated Contributions or optional survivor's benefits if elected.

J. Accumulated Contributions:

The sum of all amounts contributed by members including 4% interest on contributions made after January 1, 1979. Effective January 1, 2009, member contributions are *picked-up* by the Town.

K. Termination Benefit:

Upon termination prior to normal or early retirement date a member shall be entitled to choose (1) or (2) below, where:

1. A refund of Accumulated Contributions.

2. The benefit as for normal retirement using AFC and Creditable Service as of date of termination multiplied by the applicable percentage on the table below, commencing upon the earliest date a member would have attained normal retirement had he remained in service (age 65 for General Employees).

| <u>Years of Creditable Service</u> | <u>Percentage</u> | |
|--|------------------------------|----------------------------|
| | <u>General Employees</u> | <u>Police Officers</u> |
| Less than 5 | 0% | 0% |
| 5 | 50% | 100% |
| 6 | 60% | 100% |
| 7 | 70% | 100% |
| 8 | 80% | 100% |
| 9 | 90% | 100% |
| 10 or more | 100% | 100% |

3. A participating Town Manager and the Town Attorney 100% vested upon completion of 7 years of Creditable Service.

Outline of Principal Provisions of the Retirement Plan

L. Cost of Living Increase

For Police Officers who retire on or before January 14, 2020, a 1.5% automatic annual cost of living increase is provided for retirees, disableds, beneficiaries and vested terminated members. For Police Officers who retire after January 14, 2020, a 2.0% automatic annual cost of living increase is provided for retirees, disableds, beneficiaries and vested terminated members.

For General and Senior Management retirees, disableds, beneficiaries and vested terminated members who retire before January 1, 2020, a 1.5% automatic annual cost of living increase is provided. For General and Senior Management retirees, disableds, beneficiaries and vested terminated members who retire on or after January 1, 2020, a 2.0% automatic annual cost of living increase is provided.

M. Deferred Retirement Option Program (DROP)

1. Eligibility: Attainment of normal retirement date.
2. The maximum period of participation in the DROP is five (5) years.
3. An employee's account in the DROP program shall be credited with interest based upon actual Fund investment return.
4. No payment may be made from DROP until the employee actually separates from service with the Town.

N. Changes Since Previous Actuarial Valuation (Included in Actuarial Impact Statement)

1. Normal Retirement was:

Eligibility:

For sworn Police Officers, the earliest of (1) age 52 with 20 years of Creditable Service, (2) age 62 with 5 years of Creditable Service, (3) completion of 25 years of Creditable Service or (4) the completion of 15 years and 4 months of service if hired on a full time basis in March 2003. For a participating Town Manager and the Town Attorney, the earlier of (1) age 62 with 15 years of Creditable Service or (2) age 64 with 7 years of Creditable Service. For all other employees, the earlier of (1) age 62 with 15 years of Creditable Service or (2) age 65 with 10 years of Creditable Service.

Benefit:

Maximum benefit was 68% (60% prior to October 1, 2016) of AFC for General Employees.

2. Early Retirement Eligibility:

The earlier of (a) age 55 with 15 years of Creditable Service, or (b) 20 years of Creditable Service regardless of age.

3. Cost of Living Increases were:

A 1.5% automatic annual cost of living increase is provided for all current and future retirees, disableds, beneficiaries and vested terminated members.

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

A. Mortality

General Mortality Assumptions:

For healthy participants during employment, PUB-2010 Headcount Weighted General Below Median Employee Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted General Below Median Healthy Retiree Mortality Table, separate rates for males and females, set back 1 year for males, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, separate rates for males and females, both set forward 3 years, without mortality improvements projected.

| Sample Ages (2019) | Pre-retirement Future Life Expectancy (Years) | | Post-retirement Future Life Expectancy (Years) | |
|--------------------------|---|--------|--|--------|
| | Male | Female | Male | Female |
| | 55 | 32.50 | 34.95 | 28.53 |
| 60 | 27.66 | 29.93 | 24.46 | 27.77 |
| 62 | 25.78 | 27.96 | 22.85 | 25.95 |

| Sample Ages (2039) | Pre-retirement Future Life Expectancy (Years) | | Post-retirement Future Life Expectancy (Years) | |
|--------------------------|---|--------|--|--------|
| | Male | Female | Male | Female |
| | 55 | 34.14 | 36.43 | 30.54 |
| 60 | 29.22 | 31.36 | 26.31 | 29.42 |
| 62 | 27.29 | 29.36 | 24.63 | 27.55 |

Police Mortality Assumptions:

For healthy participants during employment, PUB-2010 Headcount Weighted Safety Employee Female Mortality Table and Safety Below Median Employee Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For healthy participants post employment, PUB-2010 Headcount Weighted Safety Healthy Retiree Female Mortality Table and Safety Below Median Healthy Retiree Male Mortality Table, both set forward 1 year, with fully generational mortality improvements projected to each future decrement date with Scale MP-2018.

For disabled participants, 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table / 20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, separate rates for males and females, without mortality improvements projected.

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

A. Mortality (cont'd)

| Sample Ages (2019) | Pre-retirement Future Life Expectancy (Years) | | Post-retirement Future Life Expectancy (Years) | |
|--------------------------|---|--------|--|--------|
| | Male | Female | Male | Female |
| | 55 | 30.37 | 34.25 | 27.50 |
| 60 | 25.43 | 29.19 | 22.93 | 26.31 |
| 62 | 23.51 | 27.18 | 21.21 | 24.48 |

| Sample Ages (2039) | Pre-retirement Future Life Expectancy (Years) | | Post-retirement Future Life Expectancy (Years) | |
|--------------------------|---|--------|--|--------|
| | Male | Female | Male | Female |
| | 55 | 32.00 | 35.73 | 29.39 |
| 60 | 27.00 | 30.63 | 24.70 | 28.04 |
| 62 | 25.04 | 28.60 | 22.92 | 26.16 |

B. Investment Return

7.25%, compounded annually - net of investment expenses includes inflation at 2.50%.

C. Allowances for Expenses or Contingencies

Estimated expenses for upcoming year, not including investment related expenses.

D. Employee Withdrawal Rates

Withdrawal rates for males and females were used in accordance with the following illustrative examples:

| General Employees | |
|-------------------|--------------------|
| Age | Withdrawal Rate |
| Under 25 | 30.0% |
| 25 - 29 | 20.0% |
| 30 - 34 | 15.0% |
| 35 - 39 | 10.0% |
| 40 - 44 | 9.0% |
| 45 - 49 | 8.0% |
| 50 - 54 | 7.0% |
| 55 - 60 | 6.0% |
| 60 & over | 5.0% |

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

D. Employee Withdrawal Rates (cont'd)

| <u>Police Officers</u> | |
|------------------------|------------------------|
| <u>Service</u> | <u>Withdrawal Rate</u> |
| 0 - 4 | 12.0% |
| 5 - 6 | 10.0% |
| 7 | 5.0% |
| 8 | 2.0% |
| 9 & over | 1.0% |

E. Salary Increase Factors

Current salary is assumed to increase at a rate based on the tables below - includes assumed wage inflation of 3.0%.

| <u>General Employees</u> | | <u>Police Officers</u> | |
|--------------------------|------------------------|------------------------|------------------------|
| <u>Service</u> | <u>Salary Increase</u> | <u>Service</u> | <u>Salary Increase</u> |
| 0 - 3 | 6.5% | 0 - 2 | 8.0% |
| 4 - 5 | 6.0% | 3 | 7.0% |
| 6 | 5.0% | 4 - 5 | 6.0% |
| 7 - 9 | 4.5% | 6 | 5.0% |
| 10 & over | 4.0% | 7 & over | 4.0% |

F. Disability Benefits

1. Rates: See table below
2. Percent Service Connected: 25% for General, 80% for Police.
3. Assume 50% of Service Connected Disabilities are due to injury

| <u>Age</u> | <u>Annual Rate of Disability</u> | |
|------------|----------------------------------|--------------------------|
| | <u>General Employees</u> | <u>Police Department</u> |
| 20 | 0.07% | 0.14% |
| 30 | 0.11% | 0.18% |
| 40 | 0.19% | 0.30% |
| 50 | 0.51% | 1.00% |
| 60 | 1.66% | 0.00% |

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

G. Smoothed Actuarial Value of Assets

The method used for determining the smoothed actuarial value of assets phases in the deviation between the expected and actual return on assets at the rate of 20% per year. The smoothed actuarial value of assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the fair market value of Plan assets and whose upper limit is 120% of the fair market value of Plan assets.

H. Assumed Retirement Age

| | | Annual Rate of Retirement* | | |
|--|-------------------|----------------------------|-----------|-----------------|
| Age | General Employees | Senior Mangement | Age | Police Officers |
| Rates when the maximum benefit cap is not applicable | | | | |
| 40 | N/A | N/A | 40 | 3% |
| 41-45 | 4% | 4% | 41-45 | 2% |
| 46-47 | 3% | 3% | 46-47 | 1% |
| 48-49 | 2% | 2% | 48-50 | 1% |
| 50-64 | 5% | 5% | 51 & over | 1% |
| 65-69 | 50% | 50% | NRA | 50% |
| 70 | 100% | 100% | Past NRA | 50% |
| Rates when the maximum benefit cap is applicable | | | | |
| 50-64 | 100% | 35% | | |
| 65-69 | 100% | 50% | | |
| 70 | 100% | 100% | | |

100% of members are assumed to retire upon reaching age 65 for Police Officers.

* For Employees who meet the age and service eligibility requirements for normal or early retirement

I. Marriage Assumption

100% of all members are assumed to be married. Wives are assumed to be three years younger than their husbands.

J. Actuarial Funding Method

Normal Retirement, Termination, Disability, and Death Benefits: Entry-Age-Actuarial Cost Method.

Under this method the normal cost for each active employee is the amount which is calculated to be a level percentage of pay that would be required annually from his age at hire to his assumed retirement age to fund his estimated benefits, assuming the Plan has always been in effect. The normal cost for the Plan is the sum of such amounts for all employees. The actuarial accrued liability as of any valuation date for each active employee or inactive employee who is eligible to receive benefits under the Plan is the excess of the actuarial present value of estimated future benefits over the actuarial present value of current and future normal costs. The unfunded actuarial accrued liability as of any valuation date is the excess of the actuarial accrued liability over the smoothed actuarial value of assets of the Plan.

**Actuarial Assumptions and Actuarial Cost Methods
Used in the Valuation**

K. Change Since Previous Actuarial Impact Statement

1. Mortality was:

General Mortality Assumptions:

For healthy male participants during employment, RP 2000 Combined Male Healthy Participant Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy female participants during employment, RP 2000 Combined Female Healthy Participant Mortality Table, with White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For healthy male participants post employment, RP 2000 Annuitant Male Mortality Table, with 50% White Collar / 50% Blue Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB. For healthy female participants post employment, RP 2000 Annuitant Female Mortality Table, with White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For disabled male participants, RP 2000 Disabled Male Mortality Table, setback four years, without projected mortality improvements. For disabled female participants, RP 2000 Disabled Female Mortality Table, set forward two years, without projected mortality improvements.

Police Mortality Assumptions:

For healthy participants during employment, RP 2000 Combined Healthy Participant Mortality Tables, separate rates for males and females, with 90% Blue Collar Adjustment / 10% White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For healthy participants post employment, RP 2000 Annuitant Mortality Tables, separate rates for males and females, with 90% Blue Collar Adjustment / 10% White Collar Adjustment and fully generational mortality improvements projected to each future decrement date with Scale BB.

For disabled male participants, 60% RP 2000 Disabled Male Mortality Table setback four years / 40% RP 2000 Annuitant Male Mortality Table, with White Collar Adjustment and no setback, without projected mortality improvements. For disabled female participants, 60% RP 2000 Disabled Female Mortality Table set forward two years / 40% RP 2000 Annuitant Female Mortality Table, with White Collar Adjustment, without projected mortality improvements.

2. Assumed Retirement Age was:

| Age | Annual Rate of Retirement* | |
|-----------|----------------------------|-----------------|
| | General Employees | Police Officers |
| 40 | N/A | 3% |
| 41-45 | 4% | 2% |
| 46-47 | 3% | 1% |
| 48-50 | 2% | 1% |
| 51 & over | 1% | 1% |
| NRA | 40% | 50% |
| Past NRA | 50% | 50% |

100% of members are assumed to retire upon reaching age 70 for General Employees.



Table XI

**Distribution of Plan Participants by Attained Age Groups
and Service Groups as of October 1, 2019**

General Employees / Senior Management Employees

| <u>Attained Age Group</u> | <u>Completed Years of Service Since Hire</u> | | | | | | | | | <u>Total</u> |
|-------------------------------|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|--------------|
| | <u>0 - 4</u> | <u>5 - 9</u> | <u>10 - 14</u> | <u>15 - 19</u> | <u>20 - 24</u> | <u>25 - 29</u> | <u>30 - 34</u> | <u>35 - 39</u> | <u>40 +</u> | |
| 0 - 24 | 1 | - | - | - | - | - | - | - | - | 1 |
| 25 - 29 | 3 | - | - | - | - | - | - | - | - | 3 |
| 30 - 34 | 6 | 6 | - | - | - | - | - | - | - | 12 |
| 35 - 39 | 2 | 1 | 2 | - | - | - | - | - | - | 5 |
| 40 - 44 | 4 | 3 | 3 | 1 | 1 | - | - | - | - | 12 |
| 45 - 49 | 2 | 2 | 1 | 1 | 1 | - | - | - | - | 7 |
| 50 - 54 | 7 | 1 | 1 | 1 | 1 | - | - | - | - | 11 |
| 55 - 59 | 2 | 2 | 5 | 2 | - | 1 | - | - | - | 12 |
| 60 - 64 | - | 1 | 2 | 1 | - | - | - | - | - | 4 |
| 65 - 69 | - | - | - | 1 | - | - | - | - | - | 1 |
| 70 + | 1 | - | - | - | - | - | - | - | - | 1 |
| TOTAL | 28 | 16 | 14 | 7 | 3 | 1 | 0 | 0 | 0 | 69 |

| | <u>Prior Year</u> | <u>Current Year</u> |
|-----------------|-------------------|---------------------|
| Average Pay | \$ 53,480 | \$ 56,540 |
| Average Service | 8.28 years | 7.99 years |
| Percent Female | 39.1% | 39.1% |



Table XI
(Cont'd)

Distribution of Plan Participants by Attained Age Groups
and Service Groups as of October 1, 2019

Police Officers

| <u>Attained Age Group</u> | <u>Completed Years of Service Since Hire</u> | | | | | | | | | <u>Total</u> |
|-------------------------------|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|--------------|
| | <u>0 - 4</u> | <u>5 - 9</u> | <u>10 - 14</u> | <u>15 - 19</u> | <u>20 - 24</u> | <u>25 - 29</u> | <u>30 - 34</u> | <u>35 - 39</u> | <u>40 +</u> | |
| 0 - 24 | - | - | - | - | - | - | - | - | - | 0 |
| 25 - 29 | 2 | 1 | - | - | - | - | - | - | - | 3 |
| 30 - 34 | - | 1 | 1 | - | - | - | - | - | - | 2 |
| 35 - 39 | - | 1 | 2 | 1 | - | - | - | - | - | 4 |
| 40 - 44 | 2 | - | 3 | 3 | - | - | - | - | - | 8 |
| 45 - 49 | - | - | 3 | 1 | - | - | - | - | - | 4 |
| 50 - 54 | 1 | 1 | 2 | - | - | 1 | - | - | - | 5 |
| 55 - 59 | 3 | - | 1 | - | - | - | - | - | - | 4 |
| 60 - 64 | - | - | - | - | - | - | - | - | - | 0 |
| 65 - 69 | - | - | - | - | - | - | - | - | - | 0 |
| 70 + | - | - | - | - | - | - | - | - | - | 0 |
| TOTAL | 8 | 4 | 12 | 5 | 0 | 1 | 0 | 0 | 0 | 30 |

| | <u>Prior Year</u> | <u>Current Year</u> |
|-----------------|-------------------|---------------------|
| Average Pay | \$ 89,052 | \$ 90,793 |
| Average Service | 9.87 years | 10.51 years |
| Percent Female | 16.1% | 16.7% |



**Distribution of Plan Participants by Attained Age Groups
and Service Groups as of October 1, 2019**

General Employees - 7% Contribution Group

| Attained Age Group | <u>Completed Years of Service Since Hire</u> | | | | | | | | | Total | |
|-----------------------|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|--------------------|---------------|
| | <u>0 - 4</u> | <u>5 - 9</u> | <u>10 - 14</u> | <u>15 - 19</u> | <u>20 - 24</u> | <u>25 - 29</u> | <u>30 - 34</u> | <u>35 - 39</u> | <u>40 +</u> | | |
| 0 - 24 | - | - | - | - | - | - | - | - | - | 0 | |
| 25 - 29 | - | - | - | - | - | - | - | - | - | 0 | |
| 30 - 34 | - | - | - | - | - | - | - | - | - | 0 | |
| 35 - 39 | - | - | - | - | - | - | - | - | - | 0 | |
| 40 - 44 | - | - | - | - | - | - | - | - | - | 0 | |
| 45 - 49 | - | - | - | - | - | - | - | - | - | 0 | |
| 50 - 54 | - | - | - | - | - | - | - | - | - | 0 | |
| 55 - 59 | - | - | - | 1 | - | - | - | - | - | 1 | |
| 60 - 64 | - | - | - | - | - | - | - | - | - | 0 | |
| 65 - 69 | - | - | - | - | - | - | - | - | - | 0 | |
| 70 + | - | - | - | - | - | - | - | - | - | 0 | |
| TOTAL | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 | |
| | | | | | | | | | | Average Pay | 49,438 |

General Employees / Senior Management Employees - 8% Contribution Group

| Attained Age Group | <u>Completed Years of Service Since Hire</u> | | | | | | | | | Total | |
|-----------------------|--|--------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|--------------------|------------------|
| | <u>0 - 4</u> | <u>5 - 9</u> | <u>10 - 14</u> | <u>15 - 19</u> | <u>20 - 24</u> | <u>25 - 29</u> | <u>30 - 34</u> | <u>35 - 39</u> | <u>40 +</u> | | |
| 0 - 24 | 1 | - | - | - | - | - | - | - | - | 1 | |
| 25 - 29 | 3 | - | - | - | - | - | - | - | - | 3 | |
| 30 - 34 | 6 | 6 | - | - | - | - | - | - | - | 12 | |
| 35 - 39 | 2 | 1 | 2 | - | - | - | - | - | - | 5 | |
| 40 - 44 | 4 | 3 | 3 | 1 | 1 | - | - | - | - | 12 | |
| 45 - 49 | 2 | 2 | 1 | 1 | 1 | - | - | - | - | 7 | |
| 50 - 54 | 7 | 1 | 1 | 1 | 1 | - | - | - | - | 11 | |
| 55 - 59 | 2 | 2 | 5 | 1 | - | 1 | - | - | - | 11 | |
| 60 - 64 | - | 1 | 2 | 1 | - | - | - | - | - | 4 | |
| 65 - 69 | - | - | - | 1 | - | - | - | - | - | 1 | |
| 70 + | 1 | - | - | - | - | - | - | - | - | 1 | |
| TOTAL | 28 | 16 | 14 | 6 | 3 | 1 | 0 | 0 | 0 | 68 | |
| | | | | | | | | | | Average Pay | \$ 56,644 |

Both Groups Combined

Summary of Participant Data

| | <u>10/01/2018</u> | <u>10/01/2019</u> |
|---|-------------------|-------------------|
| Active Participants | | |
| Number: Fully Vested | 46 | 47 |
| Partially Vested | 19 | 17 |
| Non-Vested | 30 | 35 |
| Total | <u>95</u> | <u>99</u> |
| Average Attained Age | 44.17 years | 44.89 years |
| Average Years of Service | 8.80 years | 8.75 years |
| Average Compensation | \$ 65,088 | \$ 66,919 |
| Inactive Participants Receiving Benefits (including DROPs) | | |
| Number | 38 | 40 |
| Average Age at Retirement | 60.95 years | 61.12 years |
| Average Annual Benefit | \$ 21,201 | \$ 21,472 |
| Inactive Participants Due Deferred Benefits | | |
| Number | 7 | 6 |
| Average Age at Commencement | 60.71 years | 60.00 years |
| Average Annual Benefit | \$ 16,567 | \$ 17,947 |

General Employees / Senior Management Employees

Summary of Participant Data

| | <u>10/01/2018</u> | <u>10/01/2019</u> |
|---|-------------------|-------------------|
| Active Participants | | |
| Number: Fully Vested | 23 | 25 |
| Partially Vested | 19 | 17 |
| Non-Vested | 22 | 27 |
| Total | <u>64</u> | <u>69</u> |
| Average Attained Age | 44.57 years | 45.63 years |
| Average Years of Service | 8.28 years | 7.99 years |
| Average Compensation | \$ 53,480 | \$ 56,540 |
| Inactive Participants Receiving Benefits (including DROPs) | | |
| Number | 24 | 24 |
| Average Age at Retirement | 61.46 years | 61.70 years |
| Average Annual Benefit | \$ 15,828 | \$ 16,147 |
| Inactive Participants Due Deferred Benefits | | |
| Number | 4 | 3 |
| Average Age at Commencement | 65.00 years | 65.00 years |
| Average Annual Benefit | \$ 11,732 | \$ 12,881 |

Police Officers

Summary of Participant Data

| | <u>10/01/2018</u> | <u>10/01/2019</u> |
|---|-------------------|-------------------|
| Active Participants | | |
| Number: Fully Vested | 23 | 22 |
| Partially Vested | 0 | 0 |
| Non-Vested | 8 | 8 |
| Total | <u>31</u> | <u>30</u> |
| Average Attained Age | 43.33 years | 43.20 years |
| Average Years of Service | 9.87 years | 10.51 years |
| Average Compensation | \$ 89,052 | \$ 90,793 |
| Inactive Participants Receiving Benefits (including DROPs) | | |
| Number | 14 | 16 |
| Average Age at Retirement | 60.09 years | 60.27 years |
| Average Annual Benefit | \$ 30,412 | \$ 29,992 |
| Inactive Participants Due Deferred Benefits | | |
| Number | 3 | 3 |
| Average Age at Commencement | 55.00 years | 55.00 years |
| Average Annual Benefit | \$ 23,014 | \$ 23,014 |

Both Groups Combined
Reconciliation of Employee Data

| | |
|---|-----|
| A. <u>Active Participants</u> | |
| 1. Active participants previous year | 95 |
| 2. Retired during year | 0 |
| 3. Entered DROP | (1) |
| 4. Died during year | 0 |
| 5. Disabled during year | (1) |
| 6. Non-vested employment terminations | (3) |
| 7. Vested employment terminations | 0 |
| 8. Terminated vested paid lump sum | (2) |
| 9. Leave of absence | 0 |
| 10. Transfers | 0 |
| 11. New active participants | 11 |
| 12. Rehired participant | 0 |
| 13. Part time employees transferred to full time participants | 0 |
| 14. Active participants current year | 99 |
| B. <u>Participants Receiving Benefits</u> | |
| 1. Participants receiving benefits previous year | 36 |
| 2. New retired participants | 0 |
| 3. New terminated vested receiving benefits | 1 |
| 4. New disabled receiving benefits | 1 |
| 5. New beneficiaries receiving benefits | 1 |
| 6. Former DROPs now receiving benefits | 2 |
| 7. Died or ceased payment during year | (2) |
| 8. Retired or terminated vested receiving benefits current year | 39 |
| C. <u>DROP Participants</u> | |
| 1. DROP participants previous year | 2 |
| 2. Died during year | 0 |
| 3. Became disabled during year | 0 |
| 4. Employment terminated and retired during year | (2) |
| 5. Entered DROP during year | 1 |
| 6. DROP participants current year | 1 |
| D. <u>Terminated Vested Participants Entitled to Future Benefits</u> | |
| 1. Terminated vested entitled previous year | 7 |
| 2. Died during year | 0 |
| 3. Commenced receiving benefits during year | (1) |
| 4. New terminated vested | 0 |
| 5. Terminated vested paid lump sum | 0 |
| 6. Terminated vested entitled current year | 6 |

**Table XIII
(Cont'd)**

General Employees / Senior Management Employees

Reconciliation of Employee Data

| | |
|---|-----------|
| A. <u>Active Participants</u> | |
| 1. Active participants previous year | 64 |
| 2. Retired during year | 0 |
| 3. Entered DROP | (1) |
| 4. Died during year | 0 |
| 5. Disabled during year | 0 |
| 6. Non-vested employment terminations | (3) |
| 7. Vested employment terminations | 0 |
| 8. Terminated vested paid lump sum | (1) |
| 9. Leave of absence | 0 |
| 10. Transfers | 0 |
| 11. New active participants | 10 |
| 12. Rehired participant | 0 |
| 13. Part time employees transferred to full time participants | 0 |
| 14. Active participants current year | <u>69</u> |
| B. <u>Participants Receiving Benefits</u> | |
| 1. Participants receiving benefits previous year | 22 |
| 2. New retired participants | 0 |
| 3. New terminated vested receiving benefits | 1 |
| 4. New disabled receiving benefits | 0 |
| 5. New beneficiaries receiving benefits | 0 |
| 6. Former DROPs now receiving benefits | 2 |
| 7. Died or ceased payment during year | (2) |
| 8. Retired or terminated vested receiving benefits current year | <u>23</u> |
| C. <u>DROP Participants</u> | |
| 1. DROP participants previous year | 2 |
| 2. Died during year | 0 |
| 3. Became disabled during year | 0 |
| 4. Employment terminated and retired during year | (2) |
| 5. Entered DROP during year | 1 |
| 6. DROP participants current year | <u>1</u> |
| D. <u>Terminated Vested Participants Entitled to Future Benefits</u> | |
| 1. Terminated vested entitled previous year | 4 |
| 2. Died during year | 0 |
| 3. Commenced receiving benefits during year | (1) |
| 4. New terminated vested | 0 |
| 5. Terminated vested paid lump sum | 0 |
| 6. Terminated vested entitled current year | <u>3</u> |

**Table XIII
(Cont'd)**

Police Officers

Reconciliation of Employee Data

| | |
|---|-----|
| A. <u>Active Participants</u> | |
| 1. Active participants previous year | 31 |
| 2. Retired during year | 0 |
| 3. Entered DROP | 0 |
| 4. Died during year | 0 |
| 5. Disabled during year | (1) |
| 6. Non-vested employment terminations | 0 |
| 7. Vested employment terminations | 0 |
| 8. Terminated vested paid lump sum | (1) |
| 9. Leave of absence | 0 |
| 10. Transfers | 0 |
| 11. New active participants | 1 |
| 12. Rehired participant | 0 |
| 13. Part time employees transferred to full time participants | 0 |
| 14. Active participants current year | 30 |
| B. <u>Participants Receiving Benefits</u> | |
| 1. Participants receiving benefits previous year | 14 |
| 2. New retired participants | 0 |
| 3. New terminated vested receiving benefits | 0 |
| 4. New disabled receiving benefits | 1 |
| 5. New beneficiaries receiving benefits | 1 |
| 6. Former DROPs now receiving benefits | 0 |
| 7. Died or ceased payment during year | 0 |
| 8. Retired or terminated vested receiving benefits current year | 16 |
| C. <u>DROP Participants</u> | |
| 1. DROP participants previous year | 0 |
| 2. Died during year | 0 |
| 3. Became disabled during year | 0 |
| 4. Employment terminated and retired during year | 0 |
| 5. Entered DROP during year | 0 |
| 6. DROP participants current year | 0 |
| D. <u>Terminated Vested Participants Entitled to Future Benefits</u> | |
| 1. Terminated vested entitled previous year | 3 |
| 2. Died during year | 0 |
| 3. Commenced receiving benefits during year | 0 |
| 4. New terminated vested | 0 |
| 5. Terminated vested paid lump sum | 0 |
| 6. Terminated vested entitled current year | 3 |

Recent Plan Experience

A. Investment Return Experience

| <u>Year Ended</u> | <u>Market Value</u> | <u>Smoothed Actuarial Value</u> | <u>Assumed</u> |
|-------------------|---------------------|---------------------------------|----------------|
| 09/30/2019 | 4.26% | 6.45% | 7.25% |
| 09/30/2018 | 7.34% | 7.31% | 7.25% |
| 09/30/2017 | 10.61% | 7.61% | 7.25% |
| 09/30/2016 | 11.08% | 8.05% | 7.25% |
| 09/30/2015 | (0.8%) | 7.0% | 7.5% |
| 09/30/2014 | 9.5% | 8.9% | 7.5% |
| 09/30/2013 | 11.5% | 6.7% | 7.5% |
| 09/30/2012 | 18.4% | 0.9% | 7.5% |
| 09/30/2011 | (3.2%) | 0.3% | 7.5% |
| 09/30/2010 | 7.7% | 3.9% | 7.5% |
| Average | | | |
| Last 3 Years | 7.37% | 7.12% | 7.25% |
| Last 5 Years | 6.4% | 7.3% | 7.3% |
| Last 10 Years | 7.5% | 5.7% | 7.4% |

B. Review of Recent Salary Experience *

| <u>Year Ended</u> | <u>General / Senior Management Employees</u> | | <u>Police Officers</u> | |
|-------------------|--|----------------|------------------------|----------------|
| | <u>Actual</u> | <u>Assumed</u> | <u>Actual</u> | <u>Assumed</u> |
| 09/30/2019 | 4.3% | 5.1% | 5.3% | 4.8% |
| 09/30/2018 | 7.2% | 5.2% | 6.7% | 4.9% |
| 09/30/2017 | 0.1% | 5.1% | (2.5%) | 4.8% |
| 09/30/2016 | 8.7% | 5.4% | 7.6% | 4.8% |
| 09/30/2015 | 6.1% | 5.1% | 2.4% | 5.7% |
| 09/30/2014 | 10.7% | 4.9% | 3.9% | 5.8% |
| 09/30/2013 | 6.6% | 5.0% | 4.6% | 5.1% |
| 09/30/2012 | 4.6% | 4.9% | 4.2% | 5.3% |
| 09/30/2011 | 8.6% | 5.0% | 5.0% | 5.5% |
| 09/30/2010 | 1.0% | 7.0% | 11.1% | 11.4% |
| Average | | | | |
| Last 3 Years | 3.8% | 5.1% | 3.1% | 4.8% |
| Last 5 Years | 5.2% | 5.2% | 3.8% | 5.0% |
| Last 10 Years | 5.7% | 5.3% | 4.8% | 5.8% |

* Participants who have full years of pay for both years considered.

Recent Plan Experience

C. Recent Termination Experience

General Employees / Senior Management Employees

| <u>Year Ended</u> | <u>Number of Employees Previous Valuation</u> | <u>Expected Terminations</u> | <u>Actual Terminations</u> | <u>Ratio of Actual To Expected</u> |
|-------------------|---|----------------------------------|--------------------------------|--|
| 09/30/2019 | 64 | 6.0 | 4 | 0.7 |
| 09/30/2018 | 59 | 5.7 | 2 | 0.4 |
| 09/30/2017 | 61 | 6.3 | 8 | 1.3 |
| 09/30/2016 | 59 | 6.2 | 5 | 0.8 |
| 09/30/2015 | 57 | 4.2 | 5 | 1.2 |
| 09/30/2014 | 64 | 4.8 | 6 | 1.3 |
| 09/30/2013 | 52 | 3.5 | 3 | 0.9 |
| 09/30/2012 | 51 | 3.7 | 8 | 2.2 |
| 09/30/2011 | 50 | 3.1 | 7 | 2.3 |
| 09/30/2010 | 50 | 3.3 | 3 | 0.9 |
| Last 3 Years | 184 | 18.0 | 14 | 0.8 |
| Last 5 Years | 300 | 28.4 | 24 | 0.8 |
| Last 10 Years | 567 | 46.8 | 51 | 1.1 |

Police Officers

| <u>Year Ended</u> | <u>Number of Employees Previous Valuation</u> | <u>Expected Terminations</u> | <u>Actual Terminations</u> | <u>Ratio of Actual To Expected</u> |
|-------------------|---|----------------------------------|--------------------------------|--|
| 09/30/2019 | 31 | 1.2 | 1 | 0.8 |
| 09/30/2018 | 28 | 0.9 | 0 | 0.0 |
| 09/30/2017 | 28 | 0.9 | 0 | 0.0 |
| 09/30/2016 | 28 | 1.0 | 0 | 0.0 |
| 09/30/2015 | 27 | 1.3 | 1 | 0.8 |
| 09/30/2014 | 27 | 1.4 | 0 | 0.0 |
| 09/30/2013 | 27 | 2.0 | 1 | 0.5 |
| 09/30/2012 | 27 | 2.3 | 1 | 0.4 |
| 09/30/2011 | 27 | 2.4 | 3 | 1.3 |
| 09/30/2010 | 29 | 3.2 | 1 | 0.3 |
| Last 3 Years | 87 | 3.0 | 1 | 0.3 |
| Last 5 Years | 142 | 5.3 | 2 | 0.4 |
| Last 10 Years | 279 | 16.6 | 8 | 0.5 |

Town Contribution Information

| Valuation Date | Contribution Fiscal Year End | Minimum Required Employer Contributions | Actual Employer Contributions Made |
|-------------------|------------------------------------|---|--|
| 10/01/2019 | 09/30/2021 | \$ 1,264,960 | N/A |
| 10/01/2018 | 09/30/2020 | \$ 945,871 | N/A |
| 10/01/2017 | 09/30/2019 | \$ 817,472 | \$ 817,472 |
| 10/01/2016 | 09/30/2018 | \$ 917,274 | \$ 917,274 |
| 10/01/2015 | 09/30/2017 | \$ 797,359 | \$ 797,359 |
| 10/01/2014 | 09/30/2016 | \$ 757,304 | \$ 757,304 |
| 10/01/2013 | 09/30/2015 | \$ 727,022 | \$ 727,022 |
| 10/01/2012 | 09/30/2014 | \$ 631,584 | \$ 631,584 |
| 10/01/2011 | 09/30/2013 | \$ 534,209 | \$ 534,209 |
| 10/01/2010 | 09/30/2012 | \$ 515,440 | \$ 515,440 |
| 10/01/2009 | 09/30/2011 | \$ 625,963 | \$ 625,963 |
| 10/01/2008 | 09/30/2010 | \$ 553,919 | \$ 553,919 |
| 10/01/2007 | 09/30/2009 | \$ 423,747 | \$ 423,747 |
| 10/01/2006 | 09/30/2008 | \$ 384,905 | \$ 384,416 |
| 10/01/2005 | 09/30/2007 | \$ 264,370 | \$ 264,370 |
| 10/01/2004 | 09/30/2006 | \$ 203,274 | \$ 230,812 |
| 10/01/2003 | 09/30/2005 | \$ 0 | \$ 102,410 |
| 10/01/2002 | 09/30/2004 | \$ 0 | \$ 102,410 |
| 10/01/2001 | 09/30/2003 | \$ 0 | \$ 0 |
| 10/01/2000 | 09/30/2002 | \$ 0 | \$ 0 |
| 10/01/1999 | 09/30/2001 | \$ 0 | \$ 0 |
| 10/01/1998 | 09/30/2000 | \$ 14,417 | \$ 14,417 |
| 10/01/1997 | 09/30/1999 | \$ 0 | \$ 0 |
| 10/01/1996 | 09/30/1998 | \$ 58,833 | \$ 58,833 |
| 10/01/1995 | 09/30/1997 | \$ 140,751 | \$ 140,751 |
| 10/01/1994 | 09/30/1996 | \$ 116,992 | \$ 116,992 |
| 01/01/1994 | 09/30/1995 | \$ 118,566 | \$ 118,566 |
| 01/01/1993 | 09/30/1994 | \$ 147,703 | \$ 167,952 |
| 01/01/1992 | 09/30/1993 | \$ 145,740 | \$ 167,952 |
| 01/01/1991 | 09/30/1992 | \$ 167,483 | \$ 167,952 |

¹ Reflects assumption changes effective October 1, 2016

² Reflects assumption changes effective October 1, 2015 and benefit changes effective October 1, 2016

³ Reflects benefit changes effective October 1, 2013

⁴ Reflects assumption and benefit changes effective October 1, 2012

⁵ Reflects assumption changes effective October 1, 2010

⁶ Reflects assumption changes effective October 1, 2007

⁷ Reflects benefit improvement effective October 1, 2007

⁸ Reflects benefit improvement effective October 1, 2005

Actuarial Valuation as of October 1, 2019

State Required Exhibit

All Members

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|---|--|---|---|
| A. Participant Data | | | |
| 1. Active participants | 95 | 99 | 99 |
| 2. Retired, disabled and beneficiaries receiving benefits (including DROPs) | 38 | 40 | 40 |
| 3. Terminated vested participants | 7 | 6 | 6 |
| 4. Annual payroll of active participants | \$ 6,183,349 | \$ 6,625,012 | \$ 6,625,012 |
| 5. Expected payroll of active employees for the following year | \$ 6,183,349 | \$ 6,625,012 | \$ 6,625,012 |
| 6. Annual benefits payable to those currently receiving benefits (including DROPs) | \$ 805,636 | \$ 837,411 | \$ 837,411 |
| B. Assets | | | |
| 1. Smoothed actuarial value | \$ 23,030,736 | \$ 24,401,166 | \$ 24,401,166 |
| 2. Market value | \$ 23,309,376 | \$ 24,188,592 | \$ 24,188,592 |
| C. Liabilities | | | |
| 1. Actuarial present value of future expected benefit payments for active members | | | |
| a. Retirement benefits | \$ 23,856,418 | \$ 25,800,177 | \$ 25,402,403 |
| b. Vesting benefits | 1,420,267 | 1,479,511 | 1,451,683 |
| c. Disability benefits | 1,827,551 | 1,898,518 | 1,932,777 |
| d. Return of member contributions | 216,975 | 242,618 | 204,871 |
| e. Total | <u>\$ 27,321,211</u> | <u>\$ 29,420,824</u> | <u>\$ 28,991,734</u> |
| 2. Actuarial present value of future expected benefit payments for terminated vested members and miscellaneous | \$ 944,285 | \$ 919,995 | \$ 893,985 |
| 3. Actuarial present value of future expected benefit payments for members currently receiving benefits (including DROPs) | <u>\$ 9,329,516</u> | <u>\$ 9,515,837</u> | <u>\$ 9,255,066</u> |
| 4. Total actuarial present value of future expected benefit payments | \$ 37,595,012 | \$ 39,856,656 | \$ 39,140,785 |
| 5. Actuarial accrued liabilities | \$ 28,181,601 | \$ 29,868,316 | \$ 29,250,327 |
| 6. Unfunded actuarial accrued liabilities | \$ 5,150,865 | \$ 5,467,150 | \$ 4,849,161 |

Actuarial Valuation as of October 1, 2019

State Required Exhibit

General Employees / Senior Management Employees

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|---|--|---|---|
| A. Participant Data | | | |
| 1. Active participants | 64 | 69 | 69 |
| 2. Retired, disabled and beneficiaries receiving benefits (including DROPs) | 24 | 24 | 24 |
| 3. Terminated vested participants | 4 | 3 | 3 |
| 4. Annual payroll of active participants | \$ 3,422,731 | \$ 3,901,230 | \$ 3,901,230 |
| 5. Expected payroll of active employees for the following year | \$ 3,422,731 | \$ 3,901,230 | \$ 3,901,230 |
| 6. Annual benefits payable to those currently receiving benefits | \$ 379,868 | \$ 387,533 | \$ 387,533 |
| B. Assets | | | |
| 1. Smoothed actuarial value | \$ 8,784,384 | \$ 9,053,092 | \$ 9,053,092 |
| 2. Market value | \$ 8,890,663 | \$ 8,974,225 | \$ 8,974,225 |
| C. Liabilities | | | |
| 1. Actuarial present value of future expected benefit payments for active members | | | |
| a. Retirement benefits | \$ 8,604,957 | \$ 9,921,263 | \$ 9,778,763 |
| b. Vesting benefits | 803,649 | 875,594 | 857,063 |
| c. Disability benefits | 664,547 | 781,710 | 798,401 |
| d. Return of member contributions | 131,584 | 161,617 | 138,417 |
| e. Total | \$ 10,204,737 | \$ 11,740,184 | \$ 11,572,644 |
| 2. Actuarial present value of future expected benefit payments for terminated vested members and miscellaneous | \$ 285,863 | \$ 209,097 | \$ 205,433 |
| 3. Actuarial present value of future expected benefit payments for members currently receiving benefits (including DROPs) | \$ 4,291,037 | \$ 4,281,031 | \$ 4,212,804 |
| 4. Total actuarial present value of future expected benefit payments | \$ 14,781,637 | \$ 16,230,312 | \$ 15,990,881 |
| 5. Actuarial accrued liabilities | \$ 11,516,750 | \$ 12,141,833 | \$ 11,946,969 |
| 6. Unfunded actuarial accrued liabilities | \$ 2,732,366 | \$ 3,088,741 | \$ 2,893,877 |

Actuarial Valuation as of October 1, 2019

State Required Exhibit

Police Officers

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|---|--|---|---|
| A. Participant Data | | | |
| 1. Active participants | 31 | 30 | 30 |
| 2. Retired, disabled and beneficiaries receiving benefits (including DROPs) | 14 | 16 | 16 |
| 3. Terminated vested participants | 3 | 3 | 3 |
| 4. Annual payroll of active participants | \$ 2,760,618 | \$ 2,723,782 | \$ 2,723,782 |
| 5. Expected payroll of active employees for the following year | \$ 2,760,618 | \$ 2,723,782 | \$ 2,723,782 |
| 6. Annual benefits payable to those currently receiving benefits | \$ 425,768 | \$ 449,878 | \$ 449,878 |
| B. Assets | | | |
| 1. Smoothed actuarial value | \$ 14,246,352 | \$ 15,348,074 | \$ 15,348,074 |
| 2. Market value | \$ 14,418,713 | \$ 15,214,367 | \$ 15,214,367 |
| C. Liabilities | | | |
| 1. Actuarial present value of future expected benefit payments for active members | | | |
| a. Retirement benefits | \$ 15,251,461 | \$ 15,878,914 | \$ 15,623,640 |
| b. Vesting benefits | 616,618 | 603,917 | 594,620 |
| c. Disability benefits | 1,163,004 | 1,116,808 | 1,134,376 |
| d. Return of member contributions | 85,391 | 81,001 | 66,454 |
| e. Total | <u>\$ 17,116,474</u> | <u>\$ 17,680,640</u> | <u>\$ 17,419,090</u> |
| 2. Actuarial present value of future expected benefit payments for terminated vested members and miscellaneous | \$ 658,422 | \$ 710,898 | \$ 688,552 |
| 3. Actuarial present value of future expected benefit payments for members currently receiving benefits (including DROPs) | <u>\$ 5,038,479</u> | <u>\$ 5,234,806</u> | <u>\$ 5,042,262</u> |
| 4. Total actuarial present value of future expected benefit payments | \$ 22,813,375 | \$ 23,626,344 | \$ 23,149,904 |
| 5. Actuarial accrued liabilities | \$ 16,664,851 | \$ 17,726,483 | \$ 17,303,358 |
| 6. Unfunded actuarial accrued liabilities | \$ 2,418,499 | \$ 2,378,409 | \$ 1,955,284 |

Actuarial Valuation as of October 1, 2019

State Required Exhibit - All Members

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|--|--|---|---|
| D. Statement of Accumulated Plan Benefits | | | |
| 1. Actuarial present value of accumulated vested benefits | | | |
| a. Participants currently receiving benefits | \$ 9,329,516 | \$ 9,515,837 | \$ 9,255,066 |
| b. Terminated vested members and miscellaneous | 944,285 | 919,995 | 893,985 |
| c. Other participants | 11,290,608 | 12,299,417 | 12,115,963 |
| d. Total | <u>\$ 21,564,409</u> | <u>\$ 22,735,249</u> | <u>\$ 22,265,014</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>1,079,441</u> | <u>1,330,996</u> | <u>1,319,079</u> |
| 3. Total actuarial present value of accumulated plan benefits | \$ 22,643,850 | \$ 24,066,245 | \$ 23,584,093 |
| E. Statement of Change in Accumulated Plan Benefits | | | |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2018 | | | \$ 22,643,850 |
| 2. Increase / (decrease) during year attributable to: | | | |
| a. Plan amendment | | | \$ 0 |
| b. Change in actuarial assumptions | | | (482,152) |
| c. Benefits paid (includes refunds and DROP distributions) | | | (1,308,821) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | | <u>2,731,216</u> |
| e. Net increase | | | \$ 940,243 |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2019 | | | \$ 23,584,093 |
| F. Pension Cost | | | |
| 1. Total normal cost | \$ 1,361,114 | \$ 1,453,738 | \$ 1,436,002 |
| 2. Payment required to amortize unfunded liability | 369,004 | 387,166 | 339,560 |
| 3. Interest | 16,706 | 18,904 | 18,905 |
| 4. Total required contributions | <u>\$ 1,746,824</u> | <u>\$ 1,859,808</u> | <u>\$ 1,794,467</u> |
| 5. Item 4 as a percentage of payroll | 28.3% | 28.1% | 27.1% |
| 6. Estimated employee contributions | \$ 494,245 | \$ 529,507 | \$ 529,507 |
| 7. Item 6 as a percentage of payroll | 8.0% | 8.0% | 8.0% |
| 8. Estimated State contributions | \$ 19,882 | \$ 19,882 | \$ 19,882 |
| 9. Item 8 as a percentage of payroll | 0.3% | 0.3% | 0.3% |
| 10. Net amount payable by Town | \$ 1,232,697 | \$ 1,310,419 | \$ 1,245,078 |
| 11. Item 10 as a percentage of payroll | 19.9% | 19.8% | 18.8% |



Actuarial Valuation as of October 1, 2019

State Required Exhibit - General Employees / Senior Management Employees

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|--|--|---|---|
| D. Statement of Accumulated Plan Benefits | | | |
| 1. Actuarial present value of accumulated vested benefits | | | |
| a. Participants currently receiving benefits | \$ 4,291,037 | \$ 4,281,031 | \$ 4,212,804 |
| b. Terminated vested members and miscellaneous | 285,863 | 209,097 | 205,433 |
| c. Other participants | 3,996,146 | 4,498,893 | 4,426,967 |
| d. Total | <u>\$ 8,573,046</u> | <u>\$ 8,989,021</u> | <u>\$ 8,845,204</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>598,248</u> | <u>740,538</u> | <u>738,812</u> |
| 3. Total actuarial present value of accumulated plan benefits | <u>\$ 9,171,294</u> | <u>\$ 9,729,559</u> | <u>\$ 9,584,016</u> |
| E. Statement of Change in Accumulated Plan Benefits | | | |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2018 | | | \$ 9,171,294 |
| 2. Increase / (decrease) during year attributable to: | | | |
| a. Plan amendment | | | \$ 0 |
| b. Change in actuarial assumptions | | | (145,543) |
| c. Benefits paid (includes refunds and DROP distributions) | | | (775,428) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | | <u>1,333,693</u> |
| e. Net increase | | | <u>\$ 412,722</u> |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2019 | | | <u>\$ 9,584,016</u> |
| F. Pension Cost | | | |
| 1. Total normal cost | \$ 499,645 | \$ 599,258 | \$ 591,543 |
| 2. Payment required to amortize unfunded liability | 215,514 | 246,157 | 231,146 |
| 3. Interest | 9,241 | 10,532 | 10,532 |
| 4. Total required contributions | <u>\$ 724,400</u> | <u>\$ 855,947</u> | <u>\$ 833,221</u> |
| 5. Item 4 as a percentage of payroll | 21.2% | 21.9% | 21.4% |
| 6. Estimated employee contributions | \$ 273,396 | \$ 311,604 | \$ 311,604 |
| 7. Item 6 as a percentage of payroll | 8.0% | 8.0% | 8.0% |
| 8. Estimated State contributions | N/A | N/A | N/A |
| 9. Item 8 as a percentage of payroll | N/A | N/A | N/A |
| 10. Net amount payable by Town | \$ 451,004 | \$ 544,343 | \$ 521,617 |
| 11. Item 10 as a percentage of payroll | 13.2% | 14.0% | 13.4% |



Actuarial Valuation as of October 1, 2019

State Required Exhibit - Police Officers

| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|--|--|---|---|
| D. Statement of Accumulated Plan Benefits | | | |
| 1. Actuarial present value of accumulated vested benefits | | | |
| a. Participants currently receiving benefits | \$ 5,038,479 | \$ 5,234,806 | \$ 5,042,262 |
| b. Terminated vested members and miscellaneous | 658,422 | 710,898 | 688,552 |
| c. Other participants | 7,294,462 | 7,800,524 | 7,688,996 |
| d. Total | <u>\$ 12,991,363</u> | <u>\$ 13,746,228</u> | <u>\$ 13,419,810</u> |
| 2. Actuarial present value of accumulated non-vested plan benefits | <u>481,193</u> | <u>590,458</u> | <u>580,267</u> |
| 3. Total actuarial present value of accumulated plan benefits | <u>\$ 13,472,556</u> | <u>\$ 14,336,686</u> | <u>\$ 14,000,077</u> |
| E. Statement of Change in Accumulated Plan Benefits | | | |
| 1. Actuarial present value of accumulated plan benefits as of October 1, 2018 | | | \$ 13,472,556 |
| 2. Increase / (decrease) during year attributable to: | | | |
| a. Plan amendment | | | \$ 0 |
| b. Change in actuarial assumptions | | | (336,609) |
| c. Benefits paid (includes refunds and DROP distributions) | | | (533,393) |
| d. Other, including benefits accumulated, increase for interest due to decrease in the discount period | | | <u>1,397,523</u> |
| e. Net increase | | | <u>\$ 527,521</u> |
| 3. Actuarial present value of accumulated plan benefits as of October 1, 2019 | | | \$ 14,000,077 |
| F. Pension Cost | | | |
| 1. Total normal cost | \$ 861,469 | \$ 854,480 | \$ 844,459 |
| 2. Payment required to amortize unfunded liability | 153,490 | 141,009 | 108,414 |
| 3. Interest | 7,465 | 8,372 | 8,373 |
| 4. Total required contributions | <u>\$ 1,022,424</u> | <u>\$ 1,003,861</u> | <u>\$ 961,246</u> |
| 5. Item 4 as a percentage of payroll | 37.0% | 36.9% | 35.3% |
| 6. Estimated employee contributions | \$ 220,849 | \$ 217,903 | \$ 217,903 |
| 7. Item 6 as a percentage of payroll | 8.0% | 8.0% | 8.0% |
| 8. Estimated State contributions | \$ 19,882 | \$ 19,882 | \$ 19,882 |
| 9. Item 8 as a percentage of payroll | 0.7% | 0.7% | 0.7% |
| 10. Net amount payable by Town | \$ 781,693 | \$ 766,076 | \$ 723,461 |
| 11. Item 10 as a percentage of payroll | 28.3% | 28.1% | 26.6% |

Actuarial Valuation as of October 1, 2019

State Required Exhibit - All Members

| | Prior Valuation <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
|--|--|---|---|
| G. Past Contributions | | | |
| 1. Total contribution required (Prior Year) | \$ 1,315,876 | \$ 1,440,116 | \$ 1,440,116 |
| 2. Actual contributions made: | | | |
| a. Member | \$ 498,404 | N/A | N/A |
| b. Town | 797,590 | N/A | N/A |
| c. State | 19,882 | N/A | N/A |
| d. Total | <u>\$ 1,315,876</u> | <u>N/A</u> | <u>N/A</u> |
| H. Net Actuarial Gain / (Loss) | | | |
| 1. General Employees | \$ (124,125) | \$ (168,055) | \$ (168,055) |
| 2. Police Officers | (288,322) | 307,820 | 307,820 |
| 3. Total | <u>\$ (412,447)</u> | <u>\$ 139,765</u> | <u>\$ 139,765</u> |
| | Actuarial Impact Statement <u>10/01/2018</u> | Prior Assumptions <u>10/01/2019</u> | Current Assumptions <u>10/01/2019</u> |
| I. Disclosure of Following Items: | | | |
| 1. Actuarial present value of future salaries - attained age | | | |
| a. General Employees | \$ 24,725,182 | \$ 28,814,229 | \$ 28,897,102 |
| b. Police Officers | 21,539,815 | 20,609,229 | 20,651,638 |
| c. Total | <u>\$ 46,264,997</u> | <u>\$ 49,423,458</u> | <u>\$ 49,548,740</u> |
| 2. Actuarial present value of future employee contributions - attained age | | | |
| a. General Employees | \$ 1,975,632 | \$ 2,302,594 | \$ 2,309,207 |
| b. Police Officers | 1,723,185 | 1,648,738 | 1,652,131 |
| c. Total | <u>\$ 3,698,817</u> | <u>\$ 3,951,332</u> | <u>\$ 3,961,338</u> |
| 3. Actuarial present value of future contributions from other sources | N/A | N/A | N/A |
| 4. Amount of active members' accumulated contributions | | | |
| a. General Employees | \$ 1,771,075 | \$ 1,979,713 | \$ 1,979,713 |
| b. Police Officers | 2,114,973 | 2,255,159 | 2,255,159 |
| c. Total | <u>\$ 3,886,048</u> | <u>\$ 4,234,872</u> | <u>\$ 4,234,872</u> |
| 5. Actuarial present value of future salaries and future benefits at entry age | N/A | N/A | N/A |
| 6. Actuarial present value of future employee contributions at entry age | N/A | N/A | N/A |

Actuarial Valuation as of October 1, 2019

State Required Exhibit

| Date | Unfunded Actuarial Accrued Liabilities | Current Unfunded Liabilities | Amortization Payment | Remaining Funding Period |
|-------------------|---|------------------------------------|-------------------------|--------------------------------|
| General Employees | | | | |
| 10/01/2009 | Combined Bases * | \$ 1,843 | \$ 199 | 14 years |
| 10/01/2010 | Actuarial (Gain) / Loss | 216,897 | 19,041 | 21 years |
| 10/01/2010 | Assumption Changes | (116,526) | (10,229) | 21 years |
| 10/01/2011 | Actuarial (Gain) / Loss | 79,285 | 6,822 | 22 years |
| 10/01/2012 | Actuarial (Gain) / Loss | 154,255 | 13,033 | 23 years |
| 10/01/2012 | Assumption Changes | 116,547 | 9,847 | 23 years |
| 10/01/2013 | Actuarial (Gain) / Loss | 83 | 7 | 24 years |
| 10/01/2014 | Actuarial (Gain) / Loss | 84,694 | 6,930 | 25 years |
| 10/01/2015 | Actuarial (Gain) / Loss | 149,188 | 12,035 | 26 years |
| 10/01/2015 | Assumption Changes | 138,496 | 11,173 | 26 years |
| 10/01/2015 | Plan Amendment | 290,272 | 23,417 | 26 years |
| 10/01/2016 | Actuarial (Gain) / Loss | 301,812 | 24,034 | 27 years |
| 10/01/2016 | Assumption Changes | 36,625 | 2,917 | 27 years |
| 10/01/2017 | Actuarial (Gain) / Loss | (227,687) | (17,916) | 28 years |
| 10/01/2018 | Actuarial (Gain) / Loss | 132,690 | 10,326 | 29 years |
| 10/01/2018 | Plan Amendment | 1,531,065 | 119,151 | 29 years |
| 10/01/2018 | Plan Amendment - CBA | 31,147 | 2,424 | 29 years |
| 10/01/2019 | Actuarial (Gain) / Loss | 168,055 | 12,946 | 30 years |
| 10/01/2019 | Assumption Changes | (194,864) | (15,011) | 30 years |
| | Total | \$ 2,893,877 | \$ 231,146 | |
| Police Officers | | | | |
| 10/01/2011 | Combined Credit Bases * | \$ (6,108,454) | \$ (661,053) | 14 years |
| 10/01/2011 | Combined Charge Bases * | 7,096,183 | 689,476 | 17 years |
| 10/01/2012 | Actuarial (Gain) / Loss | 651,404 | 55,038 | 23 years |
| 10/01/2012 | Assumption Changes | 49,206 | 4,157 | 23 years |
| 10/01/2013 | Actuarial (Gain) / Loss | (37,979) | (3,156) | 24 years |
| 10/01/2013 | Plan Amendment | 45,177 | 3,754 | 24 years |
| 10/01/2014 | Actuarial (Gain) / Loss | (185,164) | (15,150) | 25 years |
| 10/01/2015 | Actuarial (Gain) / Loss | (187,372) | (15,116) | 26 years |
| 10/01/2015 | Assumption Changes | 323,895 | 26,129 | 26 years |
| 10/01/2016 | Actuarial (Gain) / Loss | (92,780) | (7,388) | 27 years |
| 10/01/2016 | Assumption Changes | 66,602 | 5,304 | 27 years |
| 10/01/2017 | Actuarial (Gain) / Loss | (223,445) | (17,582) | 28 years |
| 10/01/2018 | Actuarial (Gain) / Loss | 322,594 | 25,105 | 29 years |
| 10/01/2018 | Plan Amendment - CBA | 966,362 | 75,204 | 29 years |
| 10/01/2019 | Actuarial (Gain) / Loss | (307,820) | (23,713) | 30 years |
| 10/01/2019 | Assumption Changes | (423,125) | (32,595) | 30 years |
| | Total | \$ 1,955,284 | \$ 108,414 | |

* Combined per Internal Revenue Code Regulation 1.412(b)-1

This Actuarial Valuation and/or cost determination was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate, and in our opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the Plan and/or paid from the Plan's assets for which liabilities or current costs have not been established or otherwise provided for in the valuation. All known events or trends which may require material increase in Plan costs or required contribution rates have been taken into account in the valuation.

Jennifer Borregard

Jennifer M. Borregard, E.A.
Enrollment Number: 20-07624
Date: May 5, 2020

Michelle Jones

Shelly L. Jones, A.S.A.
Enrollment Number: 20-08684



Glossary

Actuarial Accrued Liability. The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.

Actuarial Assumptions. Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members and other items.

Actuarial Cost Method. Actuarial Cost Method A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.

Actuarial Equivalent. Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.

Actuarial Present Value of Future Benefits. The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits and inactive, non-retired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.

Actuarial Valuation. The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB No. 67.

Actuarial Value of Assets. The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially required contribution.

Amortization Method. A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.

Glossary

Amortization Payment. That portion of the plan contribution which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

Amortization Period. The period used in calculating the Amortization Payment.

Annual Required Contribution. The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation. The annual required contribution consists of the Employer Normal Cost and Amortization Payment plus interest adjustment.

Closed Amortization Period. A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.

Employer Normal Cost. The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.

Equivalent Single Amortization Period. For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.

Experience Gain/Loss. A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. Losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.

GASB. Governmental Accounting Standards Board.

Glossary

GASB No. 67 and GASB No. 68. These are the governmental accounting standards that set the accounting rules for public retirement plans and the employers that sponsor or contribute to them. Statement No. 67 sets the accounting rules for the plans themselves, while Statement No. 68 sets the accounting rules for the employers that sponsor or contribute to public retirement plans.

Normal Cost. The annual cost assigned, under the Actuarial Cost Method, to the current plan year.

Open Amortization Period. An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.

Unfunded Actuarial Accrued Liability. The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.

Valuation Date. The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

Vested Benefit Security Ratio. The ratio of the Market Value of Assets to the Actuarial Present Value of Vested Accrued Benefits.

**FINANCIAL
REPORT
DRAFT**

**RETIREMENT PLAN FOR EMPLOYEES OF THE
TOWN OF SURFSIDE**

STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2019

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2018)

| | 2019 | 2018 |
|--|----------------------|----------------------|
| Assets | | |
| Money market funds | \$ 315,310 | \$ 667,624 |
| Certificates of deposit | 30,137 | 29,676 |
| U.S. Treasury securities | 177,751 | 221,241 |
| U.S. Government agency bonds | 183,449 | 364,325 |
| Municipal obligations | 1,951,650 | 1,611,501 |
| Corporate bonds | 2,299,474 | 2,597,858 |
| Mortgage backed securities | 340,534 | 360,157 |
| Equities | | |
| Common stock and American depository receipts and exchange traded funds | 6,855,861 | 9,171,029 |
| Mutual funds | 8,510,516 | 6,048,544 |
| Real estate investment trusts | 270,883 | 136,131 |
| Master limited partnerships | 707,514 | 675,305 |
| Core real estate fund | 1,487,439 | 1,421,525 |
| Total Investments | <u>24,130,518</u> | <u>23,304,916</u> |
| Receivables | | |
| Accrued interest and dividends | 93,875 | 51,367 |
| Employee contributions | 21,948 | 19,269 |
| Other receivables | 21,972 | 21,972 |
| Total Receivables | <u>137,795</u> | <u>92,608</u> |
| Prepaid Expenses | <u>1,559</u> | <u>2,959</u> |
| Total Assets | <u>24,269,872</u> | <u>23,400,483</u> |
| Liabilities | | |
| Accounts payable | 52,681 | 80,719 |
| Refunds due to members | 28,599 | 10,388 |
| Total Liabilities | <u>81,280</u> | <u>91,107</u> |
| Net Position Restricted for Pension Benefits | <u>\$ 24,188,592</u> | <u>\$ 23,309,376</u> |

The accompanying notes are an integral part of these financial statements.

**RETIREMENT PLAN FOR EMPLOYEES OF THE
TOWN OF SURFSIDE**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

(WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2018)

| | 2019 | 2018 |
|---|----------------------|----------------------|
| Additions | | |
| Contributions | | |
| Plan members | \$ 498,404 | \$ 459,190 |
| Town | <u>817,472</u> | <u>917,274</u> |
| | <u>1,315,876</u> | <u>1,376,464</u> |
| Investment Income | | |
| Net appreciation in fair value of investments | 387,918 | 1,098,341 |
| Interest and dividends | <u>707,594</u> | <u>591,178</u> |
| | 1,095,512 | 1,689,519 |
| Less investment expenses | <u>(105,139)</u> | <u>(109,703)</u> |
| Net Investment Income | <u>990,373</u> | <u>1,579,816</u> |
| Total Additions | <u>2,306,249</u> | <u>2,956,280</u> |
| Deductions | | |
| Benefit payments | 1,162,820 | 816,380 |
| Refunds of contributions | 146,004 | 2,736 |
| Administrative expenses | <u>118,209</u> | <u>120,389</u> |
| Total Deductions | <u>1,427,033</u> | <u>939,505</u> |
| Change in Net Position | 879,216 | 2,016,775 |
| Net Position Restricted for Pension Benefits | | |
| Beginning | <u>23,309,376</u> | <u>21,292,601</u> |
| Ending | <u>\$ 24,188,592</u> | <u>\$ 23,309,376</u> |

The accompanying notes are an integral part of these financial statements.

BURGESS CHAMBERS

BCA
PRIVACY
NOTICE

Burgess Chambers & Associates, Inc.

Privacy Policy Notice

Policy

As a registered investment adviser, BCA must comply with SEC Regulation S-P (or other applicable regulations), which requires registered advisers to adopt policies and procedures to protect the "nonpublic personal information" of natural person consumers and customers and to disclose to such persons policies and procedures for protecting that information. Nonpublic personal information includes nonpublic "personally identifiable financial information" plus any list, description or grouping of customers that is derived from nonpublic personally identifiable financial information. Such information may include personal financial and account information, information relating to services performed for or transactions entered into on behalf of clients, advice provided by BCA to clients, and data or analyses derived from such nonpublic personal information. BCA must also comply with the California Financial Information Privacy Act (SB1) if the firm does business with California consumers.

Background

The purpose of these privacy policies and procedures is to provide administrative, technical and physical safeguards which assist employees in maintaining the confidentiality of nonpublic personal information collected from the consumers and customers of an investment adviser. All nonpublic information, whether relating to an adviser's current or former clients, is subject to these privacy policies and procedures. Any doubts about the confidentiality of client information must be resolved in favor of confidentiality.

Responsibility

The Chief Compliance Officer is responsible for reviewing, maintaining and enforcing these policies and procedures to ensure meeting BCA's client privacy goals and objectives while at a minimum ensuring compliance with applicable federal and state laws and regulations. The Chief Compliance Officer may recommend to the President any disciplinary or other action as appropriate. The Chief Compliance Officer is also responsible for distributing these policies and procedures to advisory professionals and staff members and conducting appropriate training to ensure adherence to these policies and procedures.

Procedure

BCA has adopted various procedures to implement the firm's policy and reviews to monitor and insure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

BCA maintains safeguards to comply with federal and state standards to guard each client's nonpublic personal information. BCA does not share any nonpublic personal information with any nonaffiliated third parties, except in the following circumstances:

- As necessary to provide the service that the client has requested or authorized, or to maintain and service the client's account;
- As required by regulatory authorities or law enforcement officials who have jurisdiction over BCA, or as otherwise required by any applicable law; and
- To the extent reasonably necessary to prevent fraud and unauthorized transactions.

Advisory Professionals and staff members are prohibited, either during or after termination of their relationship with BCA, from disclosing nonpublic personal information to any person or entity outside BCA, including family members, except under the circumstances described above. An advisory professional or staff member is permitted to disclose nonpublic personal information only to such other advisory professionals or staff members who need to have access to such information to deliver our services to the client.

Safeguarding and Disposal of Client Information

BCA restricts access to nonpublic personal information to those advisory professionals and staff members who need to know such information to provide services to our clients.

Any advisory professional or staff member who is authorized to have access to nonpublic personal information is required to keep such information in a secure compartment or receptacle on a daily basis as of the close of business each day. All electronic or computer files containing such information shall be password secured and firewall protected from access by unauthorized persons. Any conversations involving non public personal information, if appropriate at all, must be conducted by advisory professional or staff member in private, and care must be taken to avoid any unauthorized persons overhearing or intercepting such conversations.

Safeguarding standards encompass all aspects of BCA that affect security. This includes not just computer security standards but also such areas as physical security and personnel procedures. Examples of important safeguarding standards that BCA may adopt include:

- Access controls on client information systems, including controls to authenticate and permit access only to authorized individuals and controls to prevent advisory professionals and staff members from providing client information to unauthorized individuals who may seek to obtain this information through fraudulent means (e.g. requiring advisory professional and staff member use of user ID numbers and passwords, etc.);
- Access restrictions at physical locations containing client information, such as buildings, computer facilities, and records storage facilities to permit access only to authorized individuals (e.g. intruder detection devices, use of fire and burglar resistant storage devices);
- Encryption of electronic client information, including while in transit or in storage on networks or systems to which unauthorized individuals may have access;
- Procedures designed to ensure that customer information system modifications are consistent with the firm's information security program(e.g. independent approval and periodic audits of system modifications);
- Dual control procedures, segregation of duties, and advisory professional and staff member background checks for advisory professionals and staff members with responsibilities for or access to client information (e.g. require data entry to be reviewed for accuracy by personnel not involved in its preparation; adjustments and correction of master records should be reviewed and approved by personnel other than those approving routine transactions, etc.);
- Monitoring systems and procedures to detect actual and attempted attacks on or intrusions into client information systems (e.g. data should be auditable for detection of loss and accidental and intentional manipulation);
- Response programs that specify actions to be taken when the firm suspects or detects that unauthorized individuals have gained access to client information systems, including appropriate reports to regulatory and law enforcement agencies;
- Measures to protect against destruction, loss, or damage of client information due to potential environmental hazards, such as fire and water damage or technological failures (e.g. use of fire resistant storage facilities and vaults; backup and store off site key data to ensure proper recovery); and
- Information systems security should incorporate system audits and monitoring, security of

physical facilities and personnel, the use of commercial or in-house services (such as networking services), and contingency planning.

- Any advisory professional or staff member who is authorized to possess "client report information" for a business purpose is required to take reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal.

There are several components to establishing 'reasonable' measures that are appropriate for the firm:

- Assessing the sensitivity of the client report information we collect;
- The nature of our advisory services and the size of our operation;
- Evaluating the costs and benefits of different disposal methods; and
- Researching relevant technological changes and capabilities.

Some methods of disposal to ensure that the information cannot practicably be read or reconstructed that BCA may adopt include:

- Procedures requiring the burning, pulverizing, or shredding of papers containing client report information;
- Procedures to ensure the destruction or erasure of electronic media; and
- After due diligence, contracting with a service provider engaged in the business of record destruction, to provide such services in a manner consistent with the disposal rule.

Privacy Notices

BCA will provide each client with initial notice of the firm's current policy when the client relationship is established.

FORM ADV

PART 2A

Burgess Chambers & Associates, Inc.

**315 E. Robinson Street, Suite 690
Orlando, FL 32801**

**Telephone: (407) 644-0111
Facsimile: (407) 644-0694**

www.burgesschambers.com

March 18, 2020

FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Burgess Chambers & Associates, Inc. If you have any questions about the contents of this brochure, please contact us at (407) 644-0111 or via e-mail at info@burgesschambers.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Burgess Chambers & Associates, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Burgess Chambers & Associates, Inc. is 110164.

Burgess Chambers & Associates, Inc. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment dated March 13, 2019 we have made no material changes.

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Item 4 Advisory Business

Description of Services and Fees

Burgess Chambers & Associates, Inc. (BCA) is a registered investment adviser based in Orlando, Florida. The firm is organized as a corporation under the laws of the State of Florida and has been providing investment consulting services since 1988. Burgess B. Chambers is the principal owner.

- **Consulting Services**
- **Recommendation of Portfolio Managers (PM)**
- **Discretionary Portfolio Management**

The following paragraphs describe our services and fees. Please refer to the description of each investment consulting service listed below for information on how we tailor our consulting services to your individual needs. As used in this brochure, the words "we", "our" and "us" refer to Burgess Chambers & Associates, Inc. (BCA) and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

Consulting Services

We specialize in institutional investment consulting. We focus on directing risk controlled investment programs for operating funds, pension assets, endowments and foundations, and individuals. Initially, we identify your return and risk objectives. The appropriate asset classes are then determined to achieve those objectives. The optimal asset allocation is developed utilizing mean variance models. We incorporate tactical and strategic asset allocation models to determine relative valuations of asset classes and make recommendations accordingly. We then prepare an Investment Policy Statement in conjunction with you and based on any limitations you set or that are required by law.

We utilize both third party and internal databases to search for suitable portfolio managers. We complete subjective due diligence on each manager and each manager's performance is evaluated and often back-tested against various combinations of other managers that represent the total mix of asset classes. The optimal correlation and manager combination is then created to provide the highest amount of return with the lowest amount of risk and the appropriate portfolio manager is recommended to the client.

Client portfolios are monitored and evaluated each quarter. In addition, portfolios are reviewed quarterly for compliance with the appropriate statutes. Each manager is held accountable to the investment policy statement. Portfolio characteristics are measured on a quarterly basis, as well as peer group rankings and style drift. Any significant changes in the management team or structure are reported to the client.

You may terminate BCA's consultant agreement upon 30-days written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement, which means you will incur consulting fees only in proportion to the number of days in the quarter for which you are a client.

Recommendation of Portfolio Managers

As part of our investment consulting services, we recommend that you use the services of Portfolio Manager(s) ("PM") to manage your investment portfolio. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the PM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the PM's performance to ensure its management and investment style remains aligned with your investment goals and objectives.

Typically, portfolio manager recommendations and portfolio manager searches are included in our fee. However, in certain situations additional fees may be charged as agreed upon. We will not share in the advisory fee you pay directly to the PM. Advisory fees that you pay to the PM are established and payable in accordance with the Form ADV Part 2A or other equivalent disclosure documents provided by each PM who you retain. These fees may or may not be negotiable. You should review the recommended PM's brochure or prospectus for information on its fees and services.

You may be required to sign an agreement directly with the recommended PM(s). You may terminate your advisory relationship with the PM according to the terms of your agreement with the PM. You should review each PM's brochure or prospectus for specific information on how you may terminate your advisory relationship with the PM and how you may receive a refund, if applicable. You should contact the PM directly for questions regarding your advisory agreement.

Advisory Services to Retirement Plans

As disclosed above, we offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor under ERISA Section 408(b)(2), we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan are described above, and in the service agreement that you have previously signed with our firm. Our compensation for these services is described below, at Item 5, and also in the service agreement. We may, with consent of the Plan, and in accordance with Plan documents, bill out-of-pocket expenses (such as overnight mailings, messenger, translation fees, etc.) at cost. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants. If we were to receive any other compensation for such services, we would (i) offset the compensation against our stated fees, and (ii) promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

In providing services to the Plan and Participants, our status is that of an investment adviser registered under the Investment Advisers Act of 1940 and we are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting either as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA, and/or as a discretionary fiduciary of the plan as defined in Section 3(38) under ERISA.

Discretionary Portfolio Management

As an alternative to recommending you to third party Portfolio Managers, we offer discretionary portfolio management services. Upon creating the investment policy statements, you may authorize us to take discretion to manage your account. Discretionary authorization will allow us to determine the

specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing which will be incorporated into the investment policy statement.

Types of Investments

We offer advice on asset allocation which may include information on equity securities, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, US Government securities, real estate, convertibles and other asset classes that may be appropriate in meeting client objectives.

Assets Under Management

As of December 31, 2019, we provide advisory consulting services with respect to assets of plans having an aggregate value of at least \$4,950,968,387. As of this date we have client assets that we manage on a discretionary basis having an aggregate value of at least \$66,821,743.

Item 5 Fees and Compensation

Our compensation for non-discretionary account services is calculated and paid quarterly based on the market value of the assets. Alternatively, some clients are charged a flat fixed quarterly fee. Our fee arrangements with clients are negotiated during the contract process and are dependent upon the complexity and scope of the services required and your objectives. Compensation is payable in arrears following the end of each quarter. Our stated minimum fee is \$20,000 per year. In our sole discretion we may waive this minimum fee.

Our compensation for discretionary account services is calculated and paid monthly based on the market value of the assets. Our fee arrangements with clients are negotiated during the contract process. Compensation is payable in arrears following the end of each month. Our stated minimum fee is \$2,500 per year. In our sole discretion we may waive this minimum fee.

Additional Fees and Expenses

As part of our investment consulting services to you, we may recommend that you invest in mutual funds and exchange traded funds. The fees that you pay to our firm for investment consulting services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. The broker-dealer or custodian through whom your account transactions are executed typically imposes these charges and fees. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

Item 6 Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer discretionary and non-discretionary consulting and advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business and governmental entities.

BCA does not have a minimum account size requirement. However we do have minimum fees that are charged. Please see Item 5 *Fees and Compensation* section above.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Our Methods of Analysis and Investment Strategies

We recommend asset allocation strategies and Portfolio Managers that we believe will meet specific objectives rather than recommending specific securities. The Portfolio Managers (PM) will perform the actual security analysis.

BCA's recommendations may vary depending upon each client's specific financial situation and the limitations imposed by the client or applicable law. As such, we determine allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

We do not perform quantitative or qualitative analysis of individual securities. Instead, we will advise you on how to allocate your assets among various classes of securities or portfolio managers. We may recommend replacing the PM if there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we recommend that you consult with a tax professional prior to and throughout the investing of your assets.

Risk of Loss

Investing involves risk of loss. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the "Advisory Business" section in this Brochure, we offer advice on various asset classes and Portfolio Managers that may include information on; equity securities, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, US Government securities, real estate, convertibles and other asset classes that may be appropriate in meeting client objectives. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships

Recommendation of Other Advisers

We may recommend that you use a Portfolio Manager ("PM") based on your needs and suitability. We do not receive compensation from the PM for recommending that you use their services. You are not obligated, contractually or otherwise, to use the services of any PM we recommend.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment consulting services as disclosed in this brochure.

Personal Trading Practices

Neither our firm nor persons associated with our firm recommend specific securities and, therefore, this section does not apply.

Item 12 Brokerage Practices

For discretionary accounts, we use the brokerage and custodial services of Charles Schwab & Co., Inc. ("Schwab"), a securities broker-dealer and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. We believe that Schwab provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by Schwab, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services Schwab provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Research and Other Soft Dollar Benefits

We do not receive any soft dollar benefits from any broker-dealers.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

For discretionary accounts where we execute trades, we routinely require that clients direct our firm to execute transactions through Schwab Advisor Services. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

Block Trades

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading") because we typically invest solely in Mutual Funds, CTFs, ETFs and other securities that do not trade in blocks.

Item 13 Review of Accounts

We will monitor your accounts on a periodic basis and will conduct account reviews utilizing a team approach at least annually. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals
- market moving events
- security specific events, and/or
- changes in your risk/return objectives
- asset rebalancing recommendations
- new asset classes
- Portfolio Manager (PM) searches

We will provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain relevant account and/or market-related information including account performance and compliance monitoring.

Item 14 Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment consulting advice to you nor do we compensate any individual or firm for client referrals.

Item 15 Custody

For non-discretionary accounts we do not directly debit consulting fees from your account and we do not exercise custody over your funds or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian.

For accounts over which we exercise discretionary authority, your independent custodian will directly debit your account(s) for the payment of our advisory fees. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held at Schwab Advisor Services. You will receive account statements from Schwab Investor Services at least quarterly. The account statements from Schwab Advisor Services will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have a question regarding your account statement, or if you did not receive a statement from your custodian, please contact us directly at the telephone number on the cover page of this brochure.

Item 16 Investment Discretion

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

BCA does not vote proxies on behalf of its clients.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required by law to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

INVESTMENT PERFORMANCE



Burgess Chambers & Associates, Inc.

Institutional Investment Advisors

www.burgesschambers.com

March 31, 2020

Retirement Plan For Employees Of The Town Of Surfside

Investment Performance Period Ending March 31, 2020

The following investment information was prepared by BCA, relying upon data from statements provided by the plan custodian and/or investment manager(s). BCA reviews transactions provided by the custodian and uses reasonable care to ensure the accuracy of the data contained herein. However, BCA cannot guarantee the accuracy of the custodian's statement.



Retirement Plan for Employees of the Town of Surfside
BCA Market Perspective ©
Coronavirus Disease: What Should You Do Now?
April 2020

U.S. equity markets abruptly ended the 11-year bull market as investors braced for a global quarantine from the Coronavirus Disease 2019 (COVID-19). This pandemic brought the entire world to a screeching halt, dragging the U.S. Economy down into what most believe will be the first recession since the Great Financial Crisis. From the peak on February 19th, to March 23rd, the S&P 500 experienced the quickest drawdown in market history, retreating 33.9% from the all-time closing highs.

In response to the crisis, Congress, the Treasury Department, and the Federal Reserve all took war-like action to help combat economic slowdowns. Congress passed the CARES Act, the largest ever crisis relief bill to the tune of over \$2T. The Treasury Department is coordinating with the SBA to distribute the funds, and it is coordinating with the Federal Reserve to expand market liquidity. The Federal Reserve cut the Fed Funds Rate to 0%, set-up a \$10B commercial paper funding facility and initiated a \$700B Quantitative Easing program to purchase Treasuries, Mortgage Bonds, and Investment Grade Corporate Debt. While the end is not in sight, one thing is clear: everyone is expending all the resources they can to end it sooner than later.

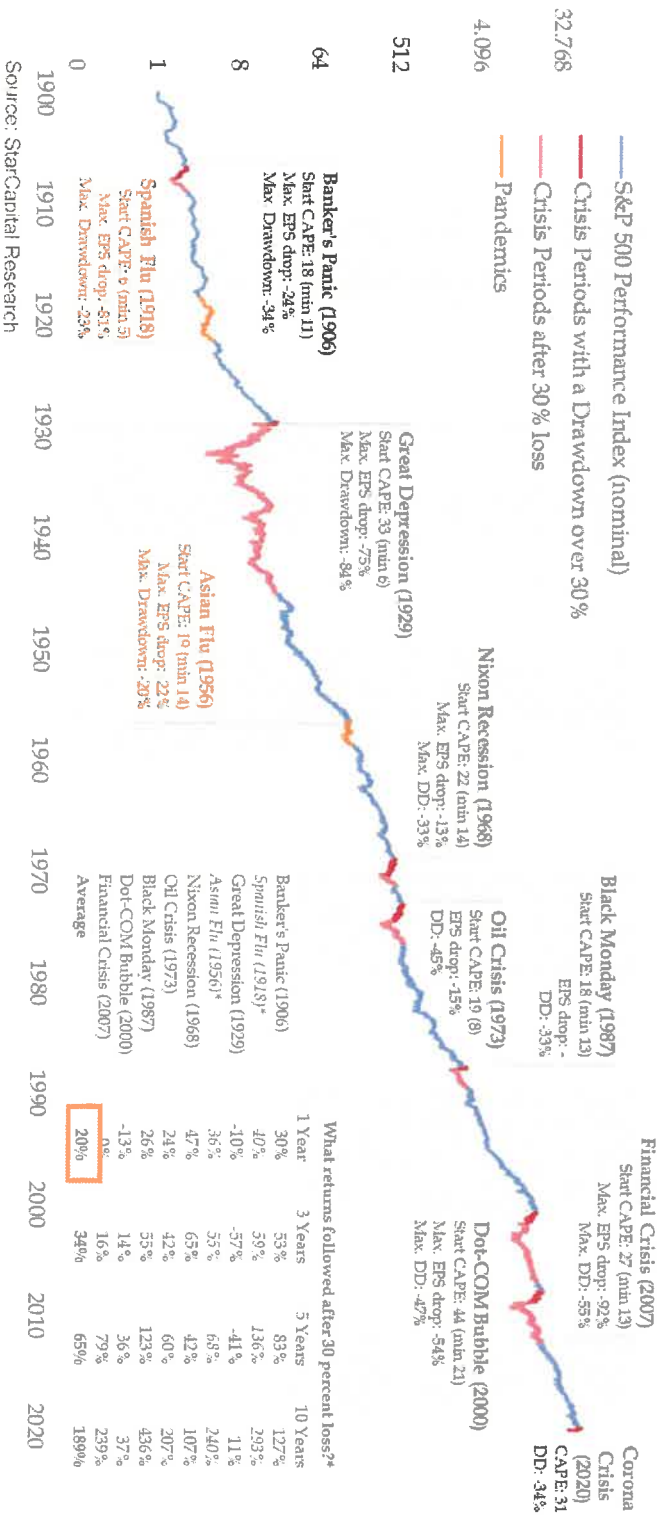
What should you do now? The answer depends on whether you are a speculator or an investor. “A speculator is happy to buy more shares when prices rise, betting that Mr. Market will buy them back later at even crazier prices. When Mr. Market’s enthusiasm turns to fear and prices fall, the speculator sells into that panic.” An “investor scarcely ever is forced to sell his shares, and at all other times he is free to disregard the current price quotation”. – Benjamin Graham, author of *The Intelligent Investor* and mentor to Warren Buffett.

Long-term investors should always have a balance of stocks and bonds. During declines, investors should become more enthusiastic about buying stocks, bringing a portfolio closer aligned with their long-term objective. This process, also known as rebalancing, keeps investors disciplined and prevents them from “timing” the market.

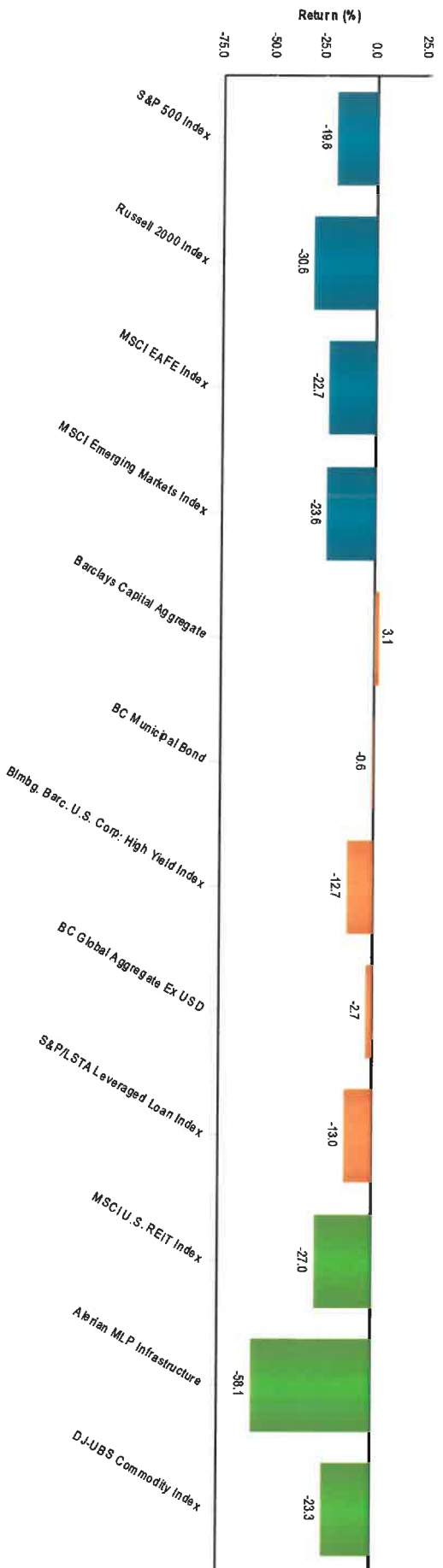
The illustration on the following page also demonstrates that markets recover on average +20%, following crisis periods with drawdowns of more than 30%. And given the magnitude and speed of this decline, the recovery is expected to be much sooner. Note: it took just three trading days (March 24th, 25th, 26th) to rebound 17.5%, marking the largest three-day move for markets to the upside since the Great Depression.

These are certainly strange times, but the team at BCA remains vigilant and responsive. We take a long-term perspective and believe in the process of rebalancing and risk management. Most importantly, we are committed in guiding our clients through this period of uncertainty.

Retirement Plan for Employees of the Town of Surfside BCA Market Perspective © Coronavirus Disease: What Should You Do Now? April 2020

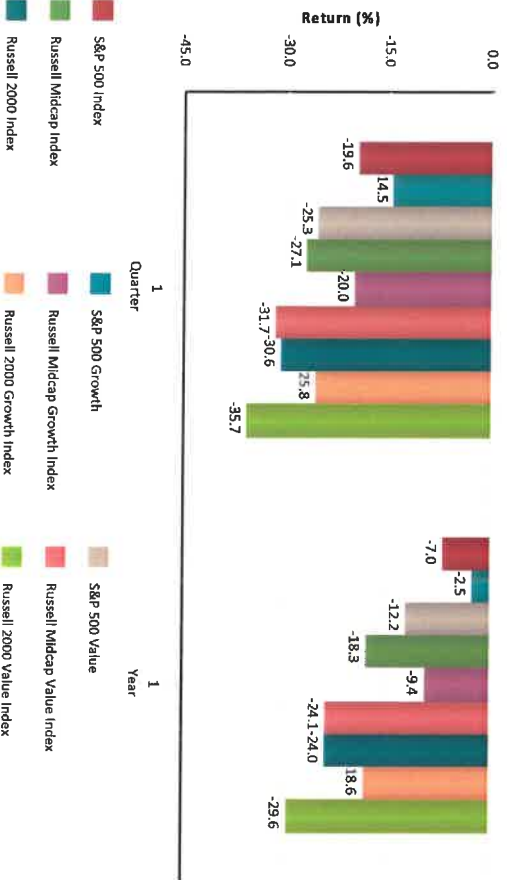


1 Quarter Performance



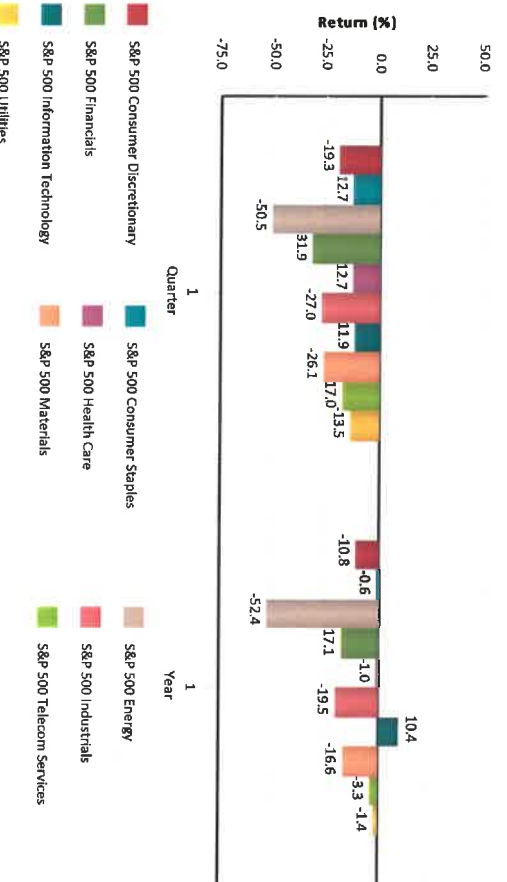
Source: Investment Metrics, LLC

US Market Indices Performance



Source: Investment Metrics, LLC

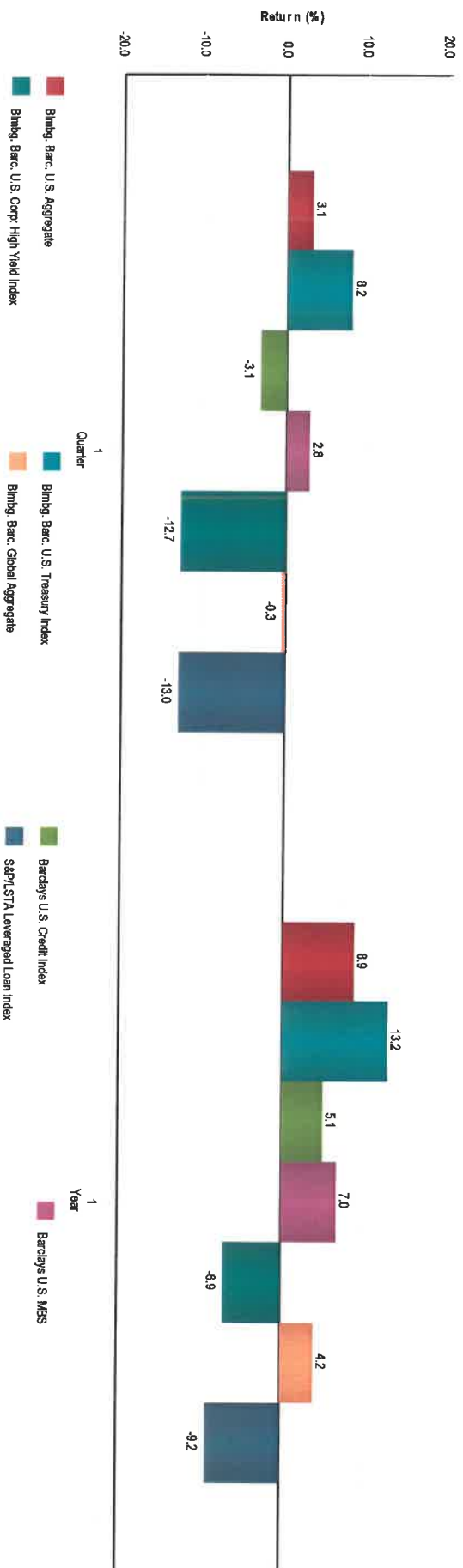
US Market Sector Performance



Source: Investment Metrics, LLC

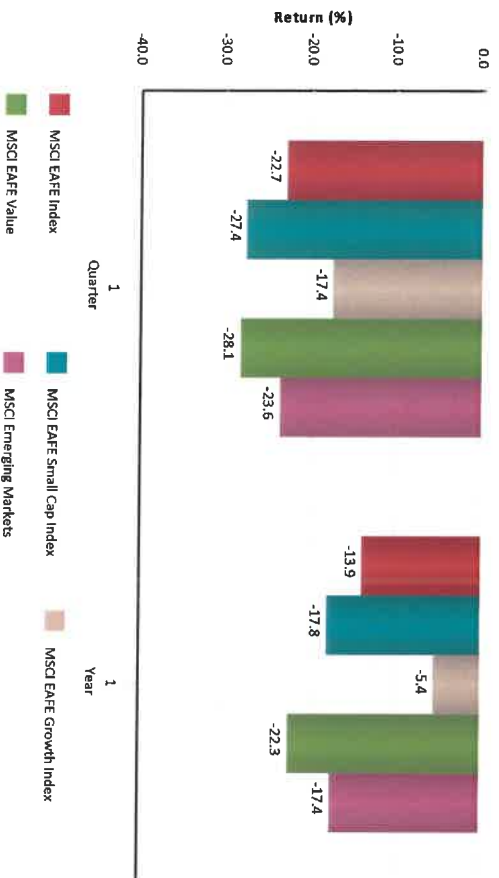


Fixed Income Market Sector Performance



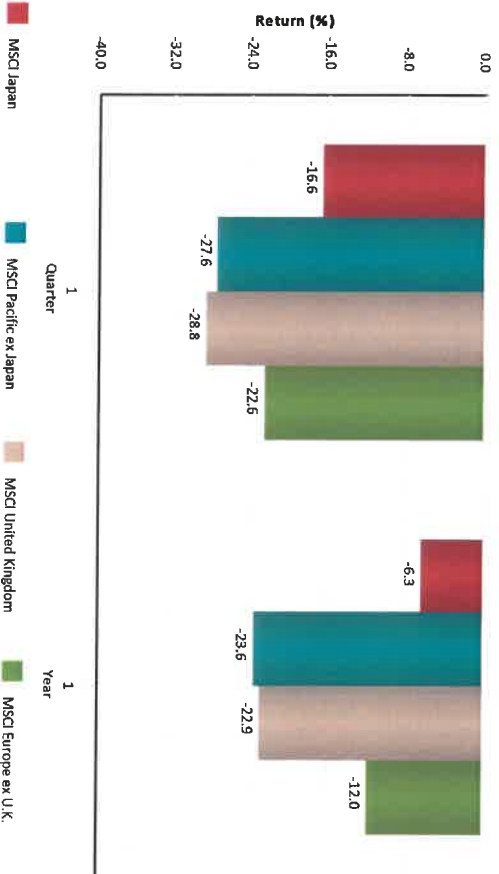
Source: Investment Metrics, LLC

Intl Equity Indices Performance



Source: Investment Metrics, LLC

Intl Equity Region Performance

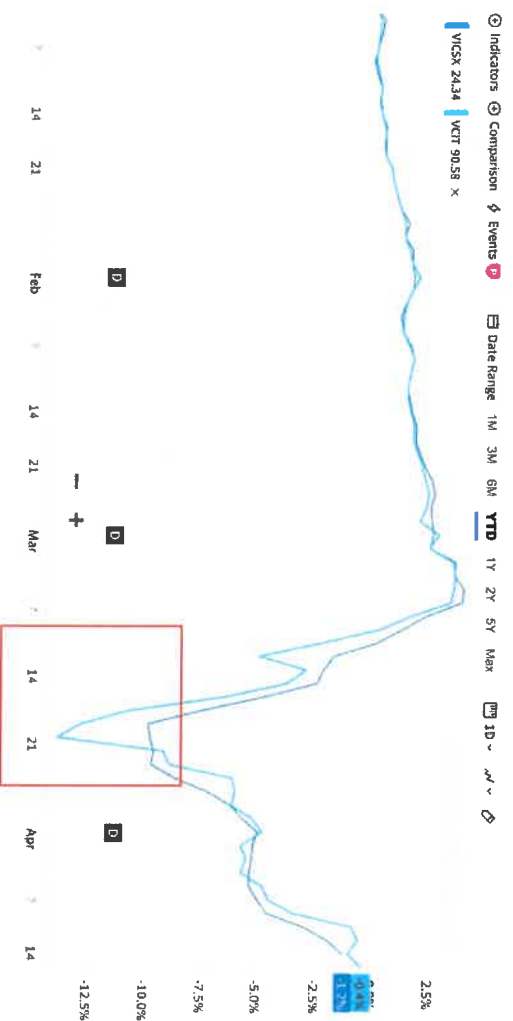


Source: Investment Metrics, LLC



Retirement Plan for Employees of the Town of Surfside Total Fund Investment Summary March 31, 2020

Asset class returns were widely dispersed during the first quarter of 2020. The fear of COVID19 induced panic and massive selling into capital markets. The chart below compares the same fund (Vanguard Intermediate Corporate Bond Fund), however in different vehicles. What the ETF captures is a substantial discount to the Net Asset Value during the worst week since 2008.



- For the quarter, the Plan experienced a market-based loss of \$4.2 million or -15.7% (gross & net), behind the Strategic Model (-13.6%). The top three performing assets were: fixed income (+2.1%), private real estate (+1.6%) and money market (+0.3%).
- For the one-year period, the Plan experienced a market-based loss \$1.8 million or -7.2% (-7.5% net). The top three performing assets were: fixed income (+7.4%), private real estate (+5.0%) and money market (+2.0%).
- For the trailing five-year period, the Plan earned +3.2%.
- In March, the process began to rebalance the portfolio back towards the equity targets. \$500K was transferred from the Highland fixed income product to the Highland Large Cap Value product. This phase of the rebalance was completed on April 16.

Retirement Plan for Employees of the Town of Surfside
Total Fund
Investment Summary
March 31, 2020

Manager Comments:

- Highland's large-cap value performance ranked in the 58th and 55th percentiles for the three and five-year periods, respectively.
- Cohen & Steers Global Infrastructure was ahead of the index for the quarter (-17.6% vs. -21.2%).
- EuroPacific was ahead of its benchmark for the three-year period (+0.8% vs. -1.5%) and ranked in the top 24th percentile.
- The MEPT Fund earned +5.0% for the one-year period.
- Highland bond performance (annualized) beat the benchmark for the five-year period (+3.5% vs. +3.4%).



Retirement Plan for Employees of the Town of Surfside
Total Fund
Investment Policy Review
March 31, 2020

Investments in equities did not exceed 70% of the Fund assets at market.

No more than 5% of the Fund's assets at cost were invested in the common stock or capital stock of any one issuing company.

Foreign equity investments were within 25% of the Fund's assets at market value.

All of the fixed-income issuers had an investment quality rating in the top four (4) classifications with 20% or less in the 4th rating. PFI A compliant.

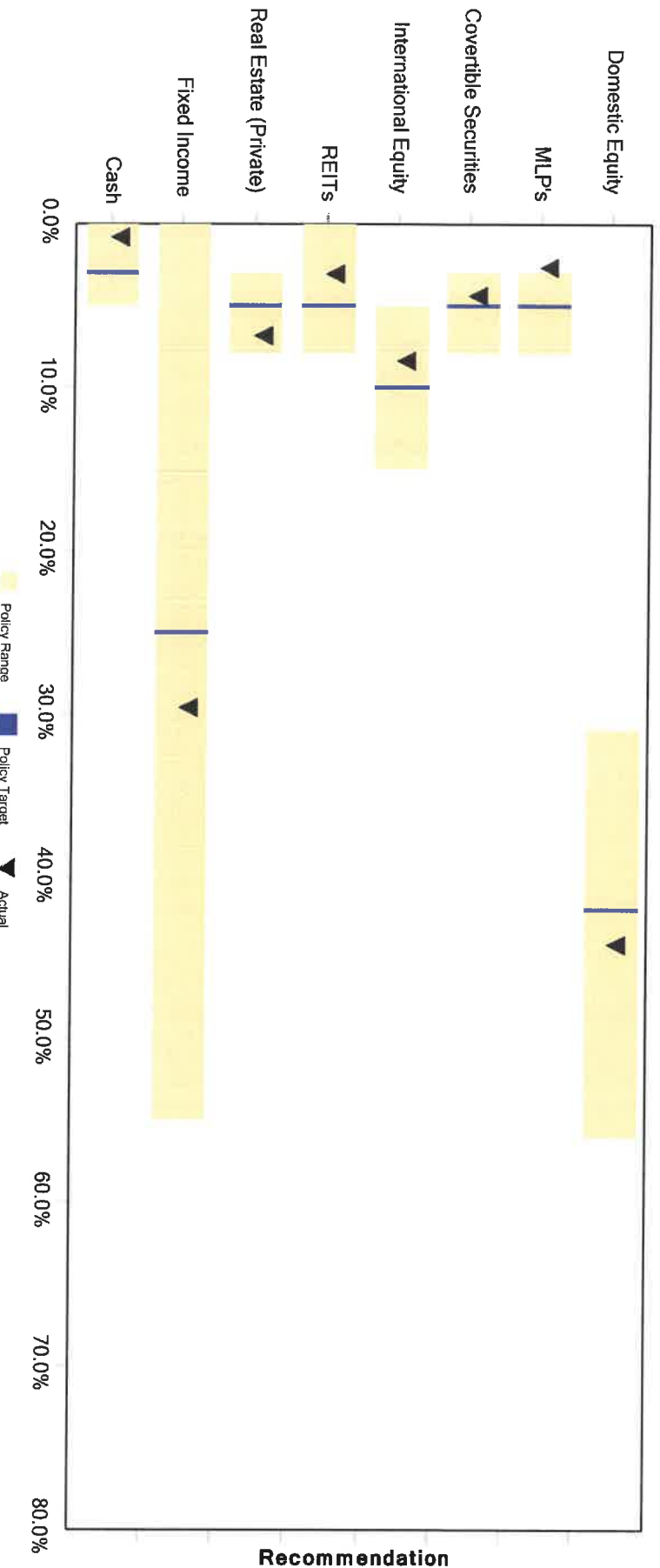


Retirement Plan For Employees Of The Town Of Surfside
Investment Performance - Net
March 31, 2020

| | <u>Quarter</u> | <u>FYTD</u> | <u>One Year</u> | <u>Three Years</u> | <u>Five Years</u> |
|----------------------------|----------------|--------------|-----------------|--------------------|-------------------|
| Beginning Market Value | 26,576,537 | 24,171,841 | 23,485,600 | 20,456,731 | 17,718,522 |
| Contributions | -130,583 | 957,609 | 606,537 | 909,051 | 1,748,134 |
| Gain/Loss | -4,150,237 | -2,833,733 | -1,796,421 | 929,935 | 2,829,061 |
| Ending Market Value | 22,295,717 | 22,295,717 | 22,295,717 | 22,295,717 | 22,295,717 |
| Total Fund (%) | -15.7 | -11.3 | -7.5 | 1.5 | 2.8 |
| Strategic Model (%) | -13.6 | -9.1 | -4.7 | 3.0 | 3.7 |



Retirement Plan For Employees Of The Town Of Surfside
Actual vs. Target Asset Allocation
March 31, 2020

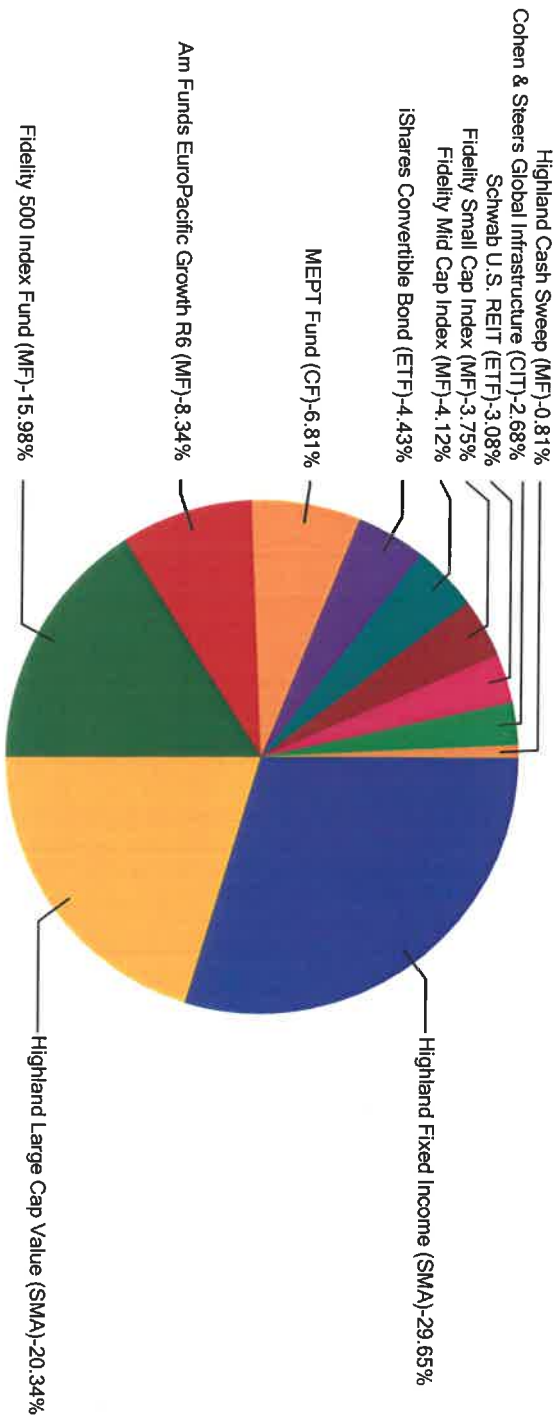


| Total Fund | Market Value Actual \$ | Minimum Allocation (%) | Percent Target | Maximum Allocation (%) | Percent Actual | Percent Difference |
|-----------------------|------------------------|------------------------|----------------|------------------------|----------------|--------------------|
| Domestic Equity | 22,295,717 | N/A | 100.0 | N/A | 100.0 | 0.0 |
| MLP's | 9,851,925 | 31.0 | 42.0 | 56.0 | 44.2 | 2.2 |
| Coverible Securities | 597,905 | 3.0 | 5.0 | 8.0 | 2.7 | -2.3 |
| International Equity | 988,482 | 3.0 | 5.0 | 8.0 | 4.4 | -0.6 |
| REITs | 1,858,516 | 5.0 | 10.0 | 15.0 | 8.3 | -1.7 |
| Real Estate (Private) | 687,540 | 0.0 | 5.0 | 8.0 | 3.1 | -1.9 |
| Fixed Income | 1,518,133 | 3.0 | 5.0 | 8.0 | 6.8 | 1.8 |
| Cash | 6,611,563 | 0.0 | 25.0 | 55.0 | 29.7 | 4.7 |
| | 181,652 | 0.0 | 3.0 | 5.0 | 0.8 | -2.2 |



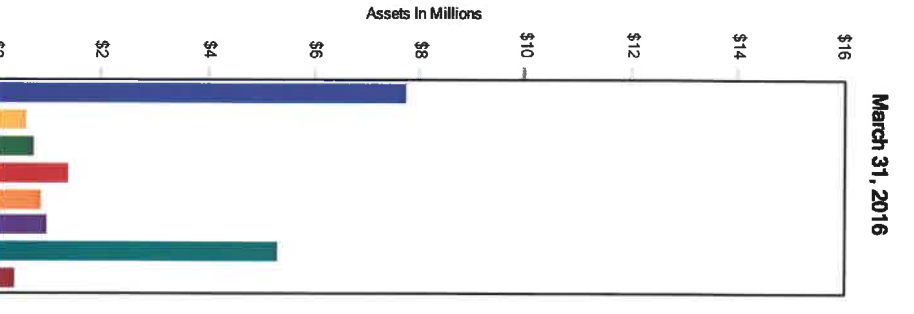
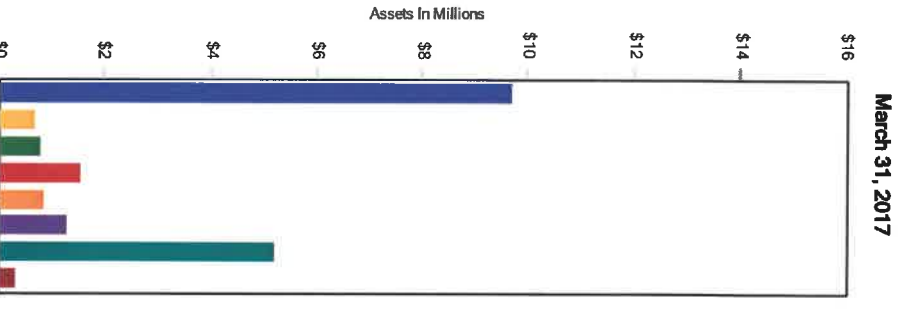
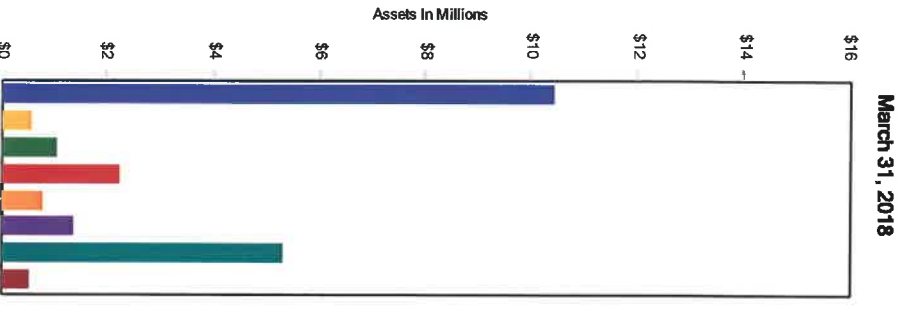
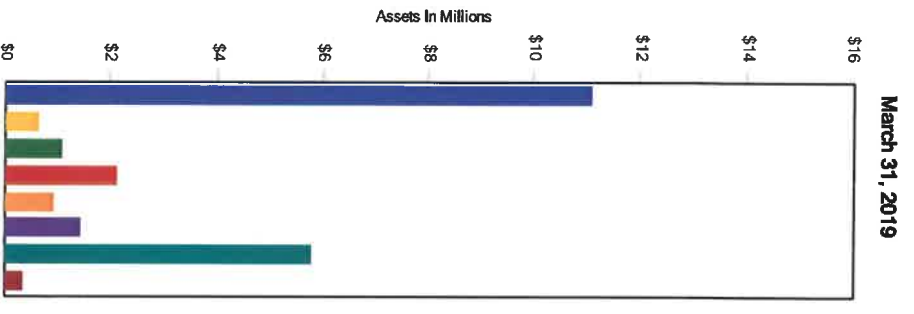
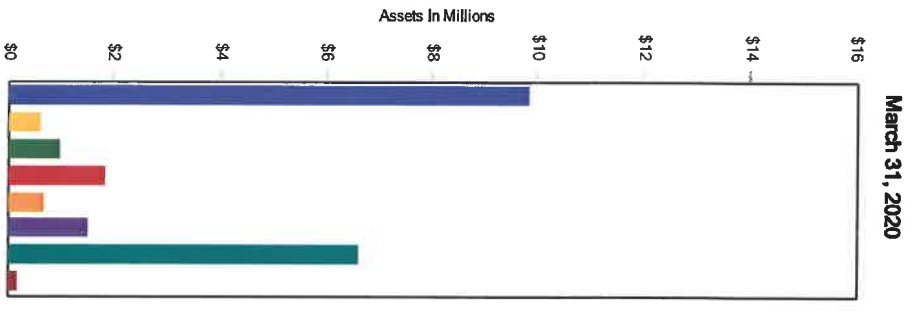
Retirement Plan For Employees Of The Town Of Surfside Asset Allocation

March 31, 2020 : 22,295,717



| | <u>Market Value \$</u> | <u>Allocation (%)</u> |
|--|------------------------|-----------------------|
| Highland Fixed Income (SMA) | 6,611,563 | 29.65 |
| Highland Large Cap Value (SMA) | 4,534,548 | 20.34 |
| Fidelity 500 Index Fund (MF) | 3,562,193 | 15.98 |
| Am Funds EuroPacific Growth R6 (MF) | 1,858,516 | 8.34 |
| MEPT Fund (CF) | 1,518,133 | 6.81 |
| iShares Convertible Bond (ETF) | 988,482 | 4.43 |
| Fidelity Mid Cap Index (MF) | 919,443 | 4.12 |
| Fidelity Small Cap Index (MF) | 835,740 | 3.75 |
| Schwab U.S. REIT (ETF) | 687,540 | 3.08 |
| Cohen & Steers Global Infrastructure (CIT) | 597,905 | 2.68 |
| Highland Cash Sweep (MF) | 181,652 | 0.81 |

Retirement Plan For Employees Of The Town Of Surfside Historical Asset Allocation March 31, 2020



Retirement Plan For Employees Of The Town Of Surfside
Asset Allocation & Performance - Gross
March 31, 2020

| | Market Value | QTD ROR - Rank | FYTD ROR - Rank | 1 Year ROR - Rank | 3 Year ROR - Rank | 5 Year ROR - Rank |
|---|-------------------|-------------------|--------------------|----------------------|----------------------|----------------------|
| Total Fund | 22,295,717 | -15.7 (88) | -11.2 (92) | -7.2 (85) | 1.8 (86) | 3.2 (68) |
| Strategic Model | | -13.6 | -9.1 | -4.7 | 3.0 | 3.7 |
| Equity | 13,984,369 | -24.1 | -18.0 | -14.3 | 0.1 | 2.5 |
| Domestic Equity | 9,851,925 | -25.5 | -19.1 | -15.1 | 0.2 | 3.5 |
| Highland Large Cap Value (SMA) | 4,534,548 | -28.6 (71) | -22.8 (69) | -18.7 (66) | -1.9 (58) | 2.1 (55) |
| Russell 1000 Value Index | | -26.7 | -21.3 | -17.2 | -2.2 | 1.9 |
| Large-Cap Value Benchmark | | -26.7 | -21.3 | -17.2 | 0.6 | 4.0 |
| Fidelity 500 Index Fund (MF) | 3,562,193 | -19.6 | -12.3 | -7.0 | N/A | N/A |
| S&P 500 Index | | -19.6 | -12.3 | -7.0 | 5.1 | 6.7 |
| Fidelity Mid Cap Index (Blend) | 919,443 | -27.0 | -21.9 | -19.2 | -2.7 | N/A |
| Russell Midcap Index | | -27.1 | -21.9 | -18.3 | -0.8 | 1.8 |
| Fidelity Small Cap Index (Blend) | 835,740 | -30.6 | -23.7 | -23.4 | -4.2 | N/A |
| Russell 2000 Index | | -30.6 | -23.7 | -24.0 | -4.6 | -0.2 |
| Global Infrastructure | 597,905 | -17.6 | -15.2 | N/A | N/A | N/A |
| Cohen & Steers Global Infrastructure (CIT) | 597,905 | -17.6 | -15.2 | N/A | N/A | N/A |
| FTSE GLOBAL CORE INFR 50/50 INDEX | | -21.2 | -18.2 | -12.3 | 2.0 | 3.7 |
| Convertible Securities | 988,482 | -13.0 | -5.3 | -5.0 | 4.7 | 5.6 |
| iShares Convertible Bond (ETF) | 988,482 | -13.0 | -5.3 | N/A | N/A | N/A |
| ML All Conv Ex. 144A All Qual Index | | -13.5 | -7.0 | -3.2 | 4.1 | 4.5 |
| International Equity | 1,858,516 | -22.3 | -14.4 | -12.3 | 0.8 | 1.5 |
| Am Funds EuroPacific Growth R6 (MF) | 1,858,516 | -22.3 | -14.4 | -12.3 | 0.8 | N/A |
| MSCI AC World ex USA | | -23.3 | -16.4 | -15.1 | -1.5 | -0.2 |

Retirement Plan For Employees Of The Town Of Surfside
Asset Allocation & Performance - Gross
March 31, 2020

| | Market Value | QTD ROR - Rank | FYTD ROR - Rank | 1 Year ROR - Rank | 3 Year ROR - Rank | 5 Year ROR - Rank |
|------------------------------------|------------------|-------------------|--------------------|----------------------|----------------------|----------------------|
| REITS | 687,540 | -28.5 | -29.5 | -24.1 | -4.2 | -1.2 |
| Schwab U.S. REIT (ETF) | 687,540 | -28.5 | -29.5 | -24.1 | N/A | N/A |
| Wilshire U.S. REIT Index | | -25.6 | -26.5 | -19.4 | -2.5 | -0.2 |
| Real Estate (Private) | 1,518,133 | 1.6 | 2.5 | 5.0 | 6.5 | 7.9 |
| MEPT Fund (CF) | 1,518,133 | 1.6 | 2.5 | 5.0 | 6.5 | 7.9 |
| NCREIF Fund Index-ODCE (VW) | | 1.0 | 2.5 | 4.9 | 6.8 | 8.5 |
| Fixed Income | 6,611,563 | 2.1 | 2.2 | 7.4 | 4.2 | 3.5 |
| Highland Fixed Income (SMA) | 6,611,563 | 2.1 (47) | 2.2 (48) | 7.4 (60) | 4.2 (86) | 3.5 (49) |
| Fixed Income Benchmark | | 3.1 | 3.3 | 8.9 | 4.8 | 3.4 |
| Cash | 181,652 | 0.3 | 0.8 | 2.0 | 1.6 | 1.2 |
| Highland Cash Sweep (MF) | 181,652 | 0.3 | 0.8 | 2.0 | 1.6 | 1.2 |
| ICE BofAML 3 Month U.S. T-Bill | | 0.6 | 1.0 | 2.3 | 1.8 | 1.2 |

Retirement Plan For Employees Of The Town Of Surfside
Asset Allocation & Performance - Net
March 31, 2020

| | Market Value | QTD ROR - Rank | FYTD ROR - Rank | 1 Year ROR - Rank | 3 Year ROR - Rank | 5 Year ROR - Rank |
|---|-------------------|-------------------|--------------------|----------------------|----------------------|----------------------|
| Total Fund | 22,295,717 | -15.7 | -11.3 | -7.5 | 1.5 | 2.8 |
| Strategic Model | | -13.6 | -9.1 | -4.7 | 3.0 | 3.7 |
| Equity | 13,984,369 | -24.1 | -18.2 | -14.6 | -0.2 | 2.2 |
| Domestic Equity | 9,851,925 | -25.5 | -19.2 | -15.3 | 0.0 | 3.3 |
| Highland Large Cap Value (SMA) | 4,534,548 | -28.7 | -23.0 | -19.1 | -2.3 | 1.7 |
| Russell 1000 Value Index | | -26.7 | -21.3 | -17.2 | -2.2 | 1.9 |
| Large-Cap Value Benchmark | | -26.7 | -21.3 | -17.2 | 0.6 | 4.0 |
| Fidelity 500 Index Fund (MF) | 3,562,193 | -19.6 (44) | -12.3 (39) | -7.0 (36) | N/A | N/A |
| S&P 500 Index | | -19.6 | -12.3 | -7.0 | 5.1 | 6.7 |
| Fidelity Mid Cap Index (Blend) | 919,443 | -27.0 (37) | -21.9 (38) | -19.3 (46) | -2.8 (39) | N/A |
| Russell Midcap Index | | -27.1 | -21.9 | -18.3 | -0.8 | 1.8 |
| Fidelity Small Cap Index (Blend) | 835,740 | -30.6 (28) | -23.7 (18) | -23.4 (26) | -4.4 (17) | N/A |
| Russell 2000 Index | | -30.6 | -23.7 | -24.0 | -4.6 | -0.2 |
| Global Infrastructure | 597,905 | -17.8 | -15.5 | N/A | N/A | N/A |
| Cohen & Steers Global Infrastructure (CIT) | 597,905 | -17.8 (29) | -15.5 (36) | N/A | N/A | N/A |
| FTSE GLOBAL CORE INFR 50/50 INDEX | | -21.2 | -18.2 | -12.3 | 2.0 | 3.7 |
| Convertible Securities | 988,482 | -13.1 | -5.4 | -5.3 | 4.3 | 5.2 |
| iShares Convertible Bond (ETF) | 988,482 | -13.1 (64) | -5.4 (35) | N/A | N/A | N/A |
| ML All Conv Ex.144A All Qual Index | | -13.5 | -7.0 | -3.2 | 4.1 | 4.5 |
| International Equity | 1,858,516 | -22.4 | -14.6 | -12.7 | 0.3 | 1.0 |
| Am Funds EuroPacific Growth R6 (MF) | 1,858,516 | -22.4 (38) | -14.6 (35) | -12.7 (31) | 0.3 (24) | N/A |
| MSCI AC World ex USA | | -23.3 | -16.4 | -15.1 | -1.5 | -0.2 |

Retirement Plan For Employees Of The Town Of Surfside
Asset Allocation & Performance - Net
March 31, 2020

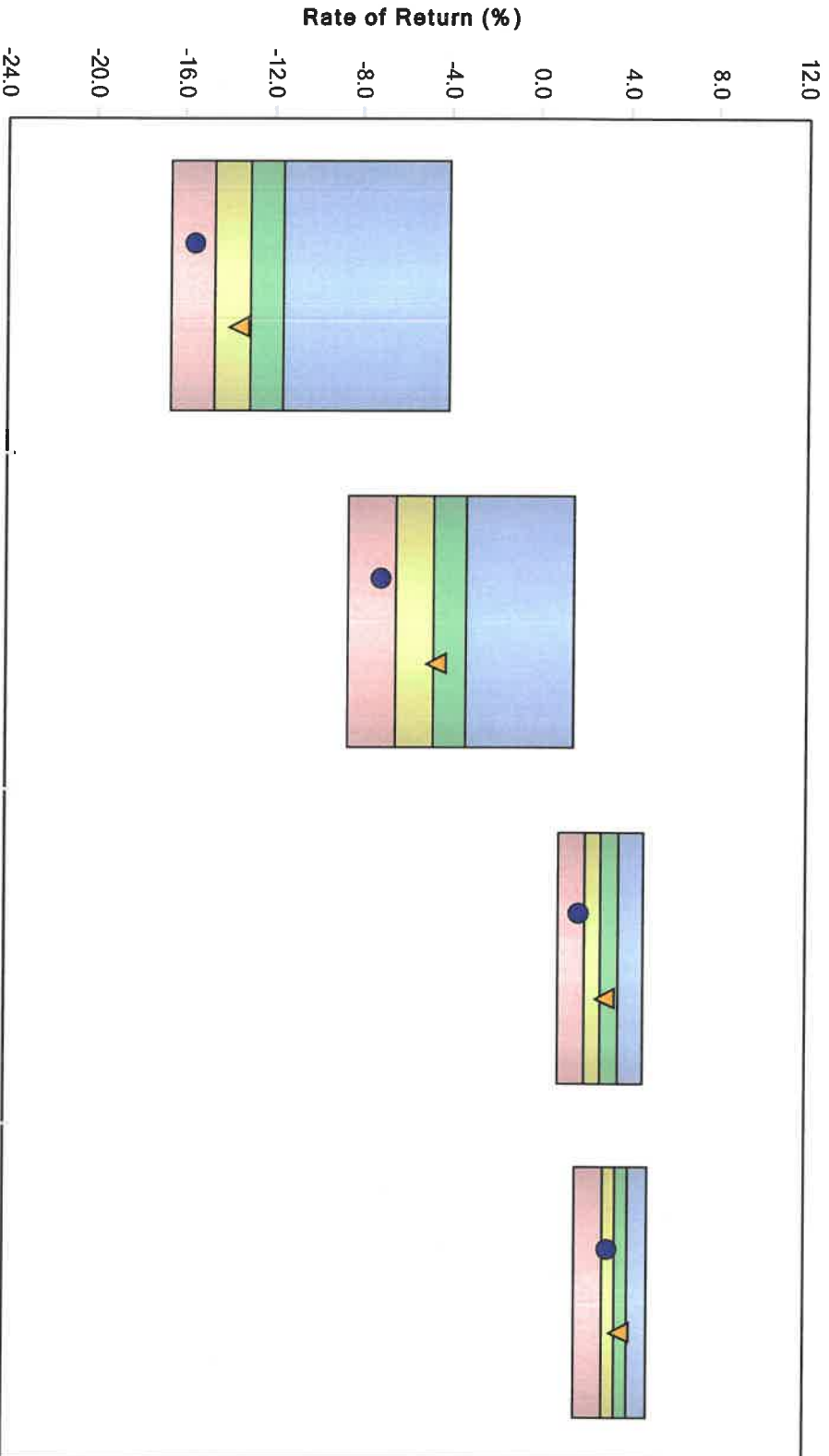
| | Market Value | QTD ROR - Rank | FYTD ROR - Rank | 1 Year ROR - Rank | 3 Year ROR - Rank | 5 Year ROR - Rank |
|------------------------------------|------------------|-------------------|--------------------|----------------------|----------------------|----------------------|
| REITs | 687,540 | -28.5 | -29.5 | -24.1 | -4.3 | -1.4 |
| Schwab U.S. REIT (ETF) | 687,540 | -28.5 (88) | -29.5 (91) | -24.1 (90) | N/A | N/A |
| Wilshire U.S. REIT Index | | -25.6 | -26.5 | -19.4 | -2.5 | -0.2 |
| Real Estate (Private) | 1,518,133 | 1.4 | 2.1 | 4.0 | 5.5 | 6.9 |
| MEPT Fund (CF) | 1,518,133 | 1.4 | 2.1 | 4.0 | 5.5 | 6.9 |
| NCREIF Fund Index-ODCE (VW) | | 1.0 | 2.5 | 4.9 | 6.8 | 8.5 |
| Fixed Income | 6,611,563 | 2.0 | 2.1 | 7.0 | 3.8 | 3.1 |
| Highland Fixed Income (SMA) | 6,611,563 | 2.0 | 2.1 | 7.0 | 3.8 | 3.1 |
| Fixed Income Benchmark | | 3.1 | 3.3 | 8.9 | 4.8 | 3.4 |
| Cash | 181,652 | 0.3 | 0.8 | 2.0 | 1.6 | 1.2 |
| Highland Cash Sweep (MF) | 181,652 | 0.3 | 0.8 | 2.0 | 1.6 | 1.2 |
| ICE BofAML 3 Month U.S. T-Bill | | 0.6 | 1.0 | 2.3 | 1.8 | 1.2 |

1 Strategic Model: as of 01/2019 32% S&P 500, 5% ML Conv exc 144A, 5% Russell Mid Cap, 5% R2000, 5% FTSE Global Core Infr 50/50, 10%ACWI ex US, 5% Wilshire REIT, 5% NCREIF ODCE, 25% BC Agg, 3% 90-day Treasury; as of 10/2014: 32% S&P 500, 5% ML Conv exc 144A, 5% Russell Mid Cap, 5% R2000, 5% Alerian MLP Index, 10% MSCI EAFE, 5% Wilshire REIT, 5% NCREIF ODCE, 25% BC Agg, 3% 90-day Treasury; as of 12/2011: 32% S&P 500, 5% ML Conv exc 144A, 5% Russell Mid Cap, 5% R2000, 10% MSCI EAFE, 5% Wilshire REIT, 35% BC Agg, 3% 90-day Treasury; as of 1/2010: 40% S&P 500, 10% R 2000 Value, 10% MSCI EAFE, 10% Wilshire REIT, 30% BC Agg; as of 1/2006: 40% S&P 500, 10% R2000 Val, 10% EAFE, 10% Wilshire REIT, 30% BC Int Agg Bd; From 1/2002: 50% S&P500, 50% BCAGG Bd; as of 12/97 45% S&P500, 55% BCGov/Credit.

2. Large-Cap Value Benchmark: as of 01/2019 100% Russell 1000V; prior S&P 500

3 Fixed Income Benchmark: as of 1/2010 100% BC Aggregate Bond; as of 1/2006 100% BC Intermediate Bond; as of 1/2000 100% BC Aggregate.

**Retirement Plan For Employees Of The Town Of Surfside
Peer Universe Quartile Ranking
March 31, 2020**



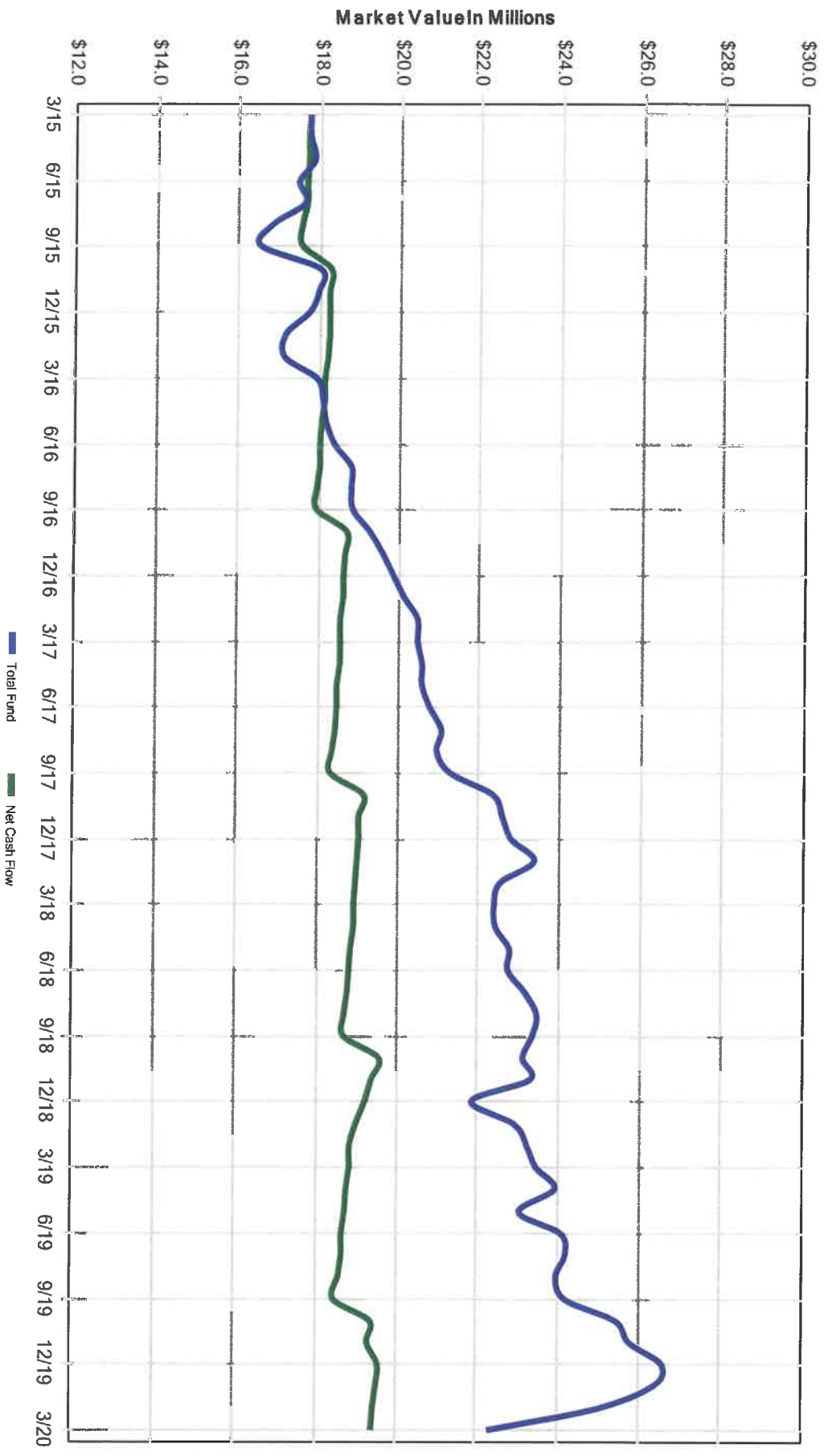
- Total Fund
 - ▼ Strategic Model
- 5th Percentile
1st Quartile
Median
3rd Quartile
95th Percentile

Parenttheses contain percentile rankings.

Calculation based on quarterly data.



**Retirement Plan For Employees Of The Town Of Surfside
Growth of Investments
April 1, 2015 Through March 31, 2020**

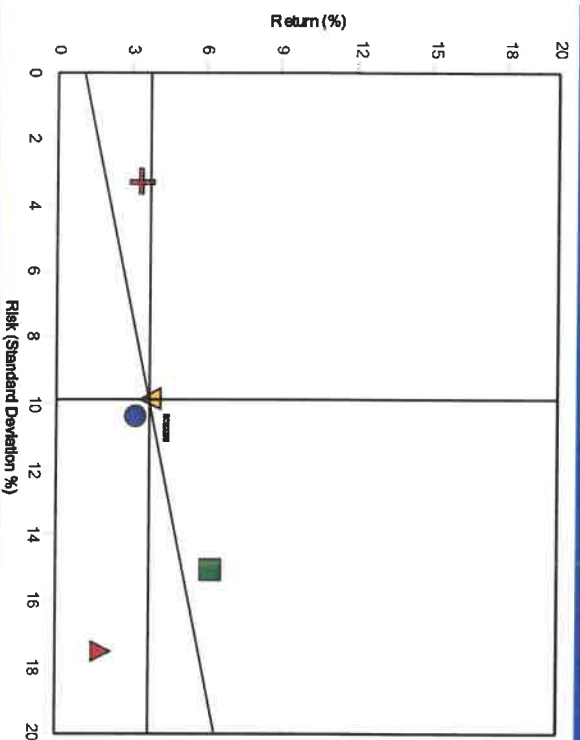


| | | |
|----------------------------|-------------------------|------------------------------|
| <u>Beginning MV</u> | <u>Ending MV</u> | <u>Annualized ROR</u> |
| \$17,718,522 | \$22,295,717 | 3.2 |



Retirement Plan For Employees Of The Town Of Surfside Capital Market Line Period Ending March 31, 2020

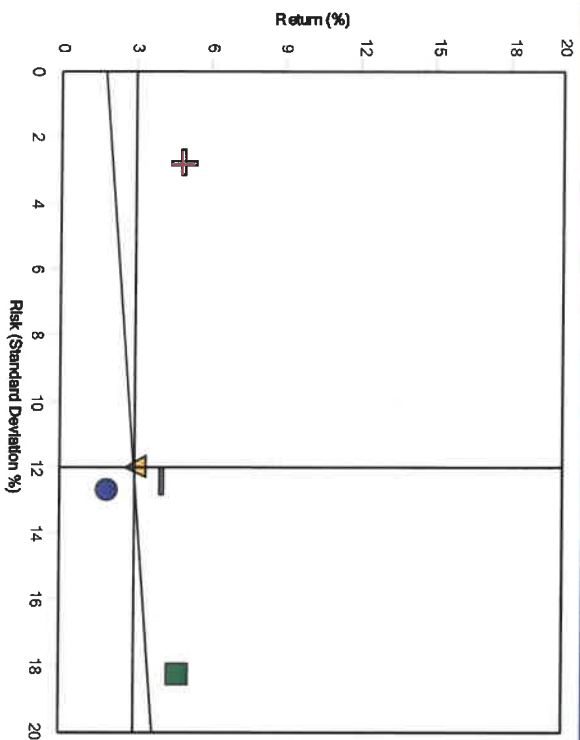
5 Years Risk/Reward



5 Years Statistics

| | Return | Standard Deviation | Beta | Alpha |
|-----------------------------------|--------|--------------------|-------|-------|
| Total Fund | 3.15 | 10.45 | 1.05 | -0.70 |
| Strategic Model | 3.74 | 9.93 | 1.00 | 0.00 |
| Russell 1000 Index | 6.22 | 15.07 | 1.50 | 0.99 |
| Russell Midcap Index | 1.85 | 17.52 | 1.74 | -3.73 |
| Russell 2000 Index | -0.25 | 20.60 | 1.97 | -5.98 |
| ML All Conv Ex. 144A AQ Index | 4.45 | 10.78 | 1.03 | 0.65 |
| MSCI EAFE Index | -0.13 | 15.39 | 1.46 | -4.87 |
| Bimbg. Barc. U.S. Aggregate Index | 3.36 | 3.33 | -0.04 | 3.57 |

3 Years Risk/Reward

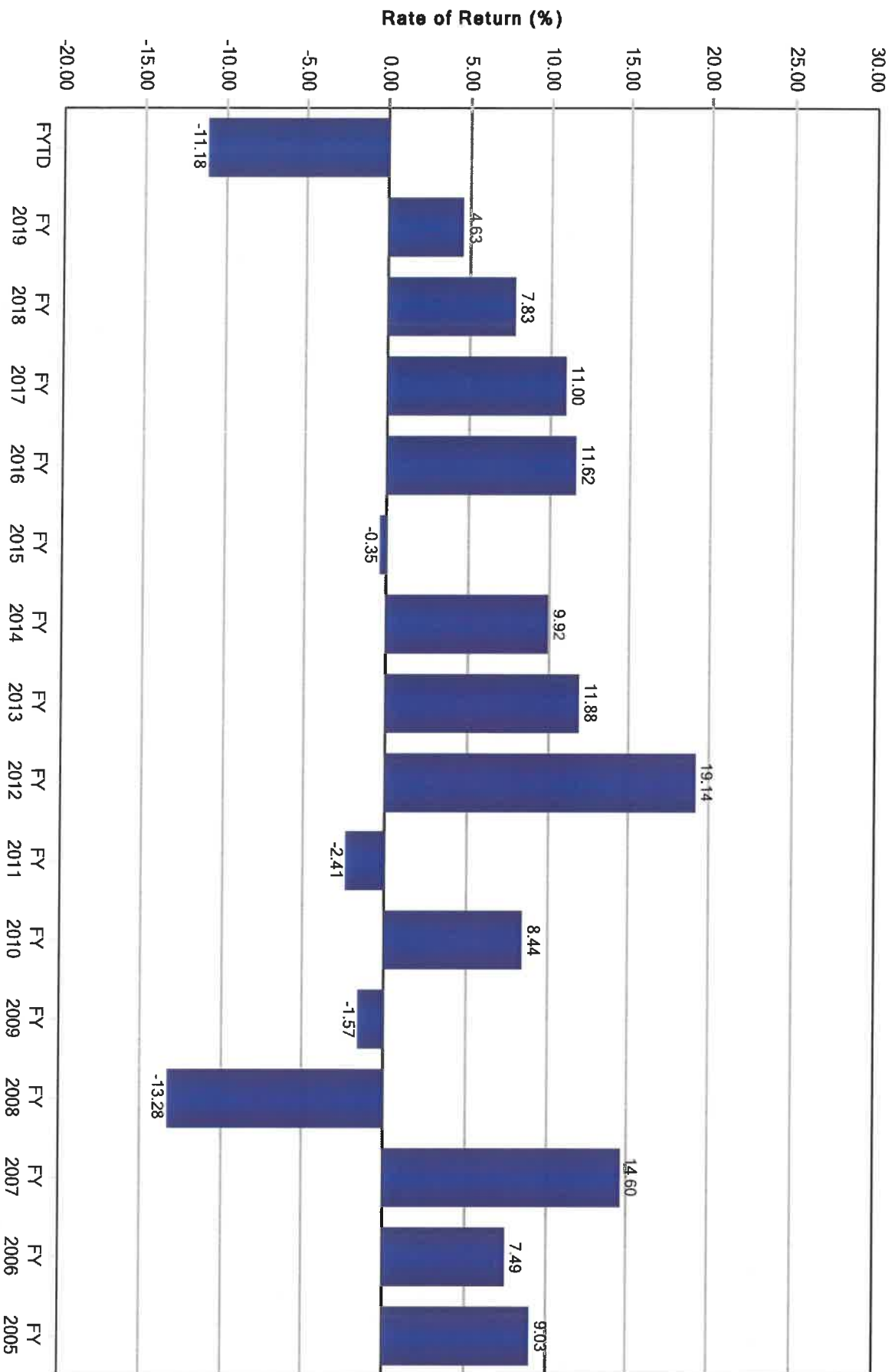


3 Years Statistics

| | Return | Standard Deviation | Beta | Alpha |
|-----------------------------------|--------|--------------------|-------|-------|
| Total Fund | 1.83 | 12.70 | 1.05 | -1.23 |
| Strategic Model | 2.98 | 12.01 | 1.00 | 0.00 |
| Russell 1000 Index | 4.64 | 18.33 | 1.52 | 0.75 |
| Russell Midcap Index | -0.81 | 21.58 | 1.78 | -4.73 |
| Russell 2000 Index | -4.64 | 24.41 | 1.99 | -8.38 |
| ML All Conv Ex. 144A AQ Index | 4.07 | 12.47 | 1.01 | 1.09 |
| MSCI EAFE Index | -1.33 | 17.82 | 1.43 | -4.79 |
| Bimbg. Barc. U.S. Aggregate Index | 4.82 | 2.82 | -0.04 | 5.03 |



**Retirement Plan For Employees Of The Town Of Surfside
Fiscal Year Rates of Return
March 31, 2020**

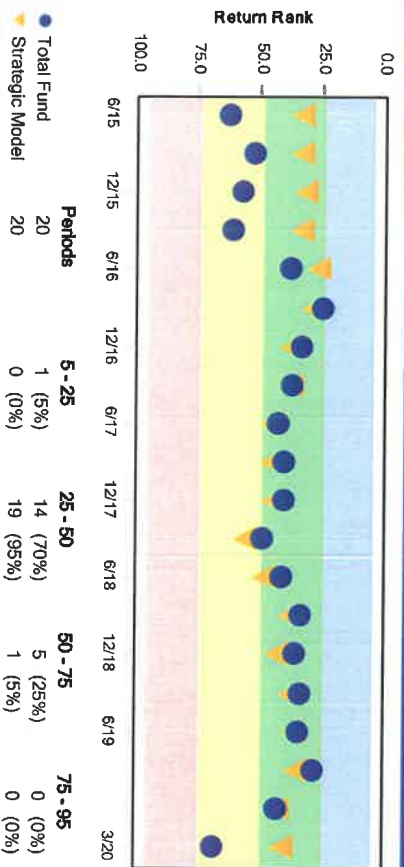


Retirement Plan For Employees Of The Town Of Surfside

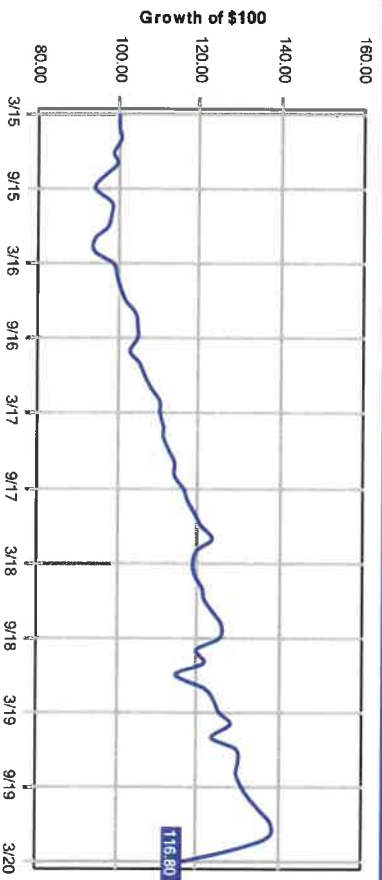
Total Fund

March 31, 2020

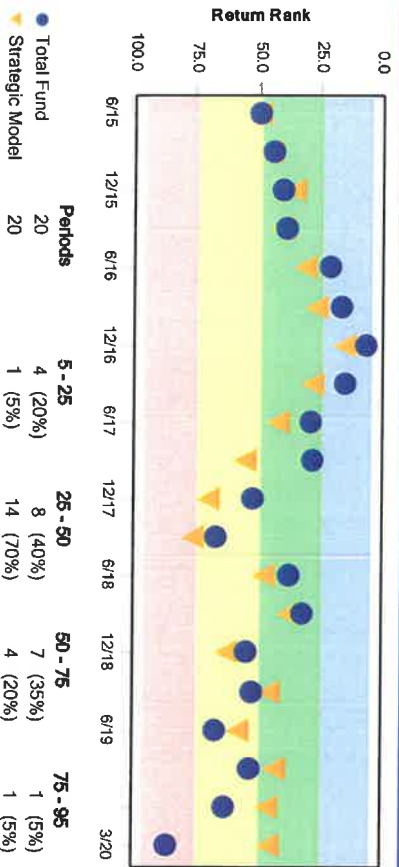
5 Years Rolling Percentile Ranking - 5 Years



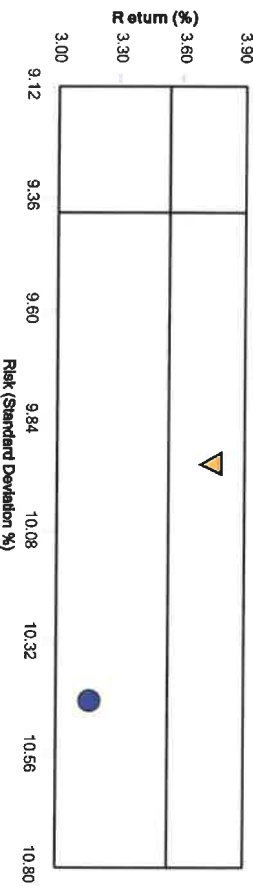
Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 5 Years



Historical Statistics - 5 Years

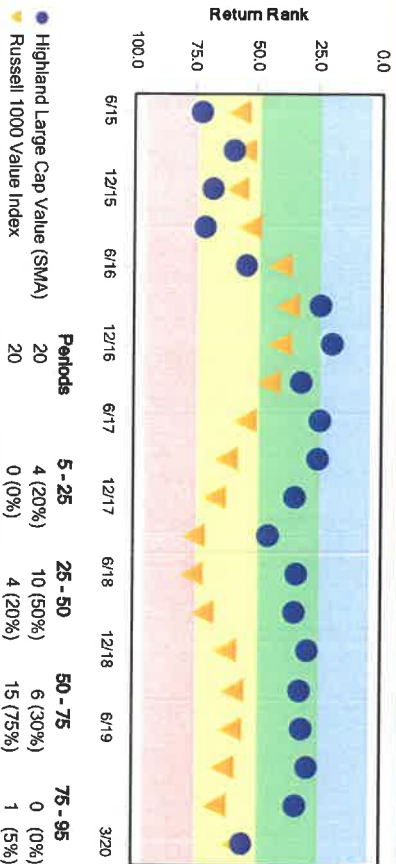
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Total Fund | 3.15 | 10.45 | -0.70 | 1.05 | 0.24 | 106.96 | 99.01 |
| Strategic Model | 3.74 | 9.93 | 0.00 | 1.00 | 0.30 | 100.00 | 100.00 |

Historical Statistics - 3 Years

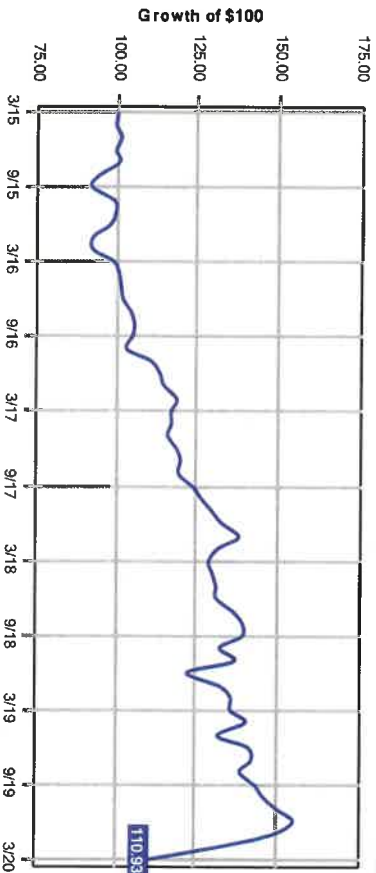
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Total Fund | 1.83 | 12.70 | -1.23 | 1.05 | 0.07 | 107.80 | 96.39 |
| Strategic Model | 2.96 | 12.01 | 0.00 | 1.00 | 0.16 | 100.00 | 100.00 |

Retirement Plan For Employees Of The Town Of Surfside Highland Large Cap Value (SMA) March 31, 2020

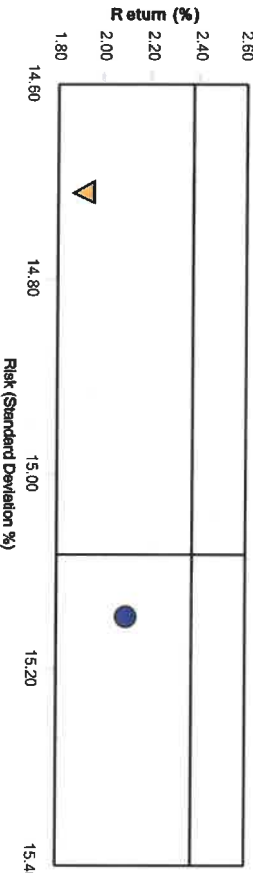
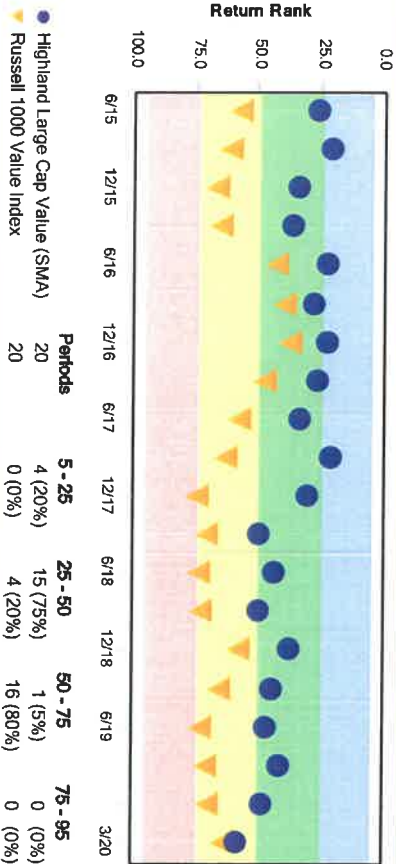
5 Years Rolling Percentile Ranking - 5 Years



Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 5 Years

Historical Statistics - 5 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Highland Large Cap Value (SMA) | 2.10 | 15.15 | 0.19 | 1.02 | 0.14 | 102.61 | 103.52 |
| Russell 1000 Value Index | 1.80 | 14.71 | 0.00 | 1.00 | 0.13 | 100.00 | 100.00 |

Historical Statistics - 3 Years

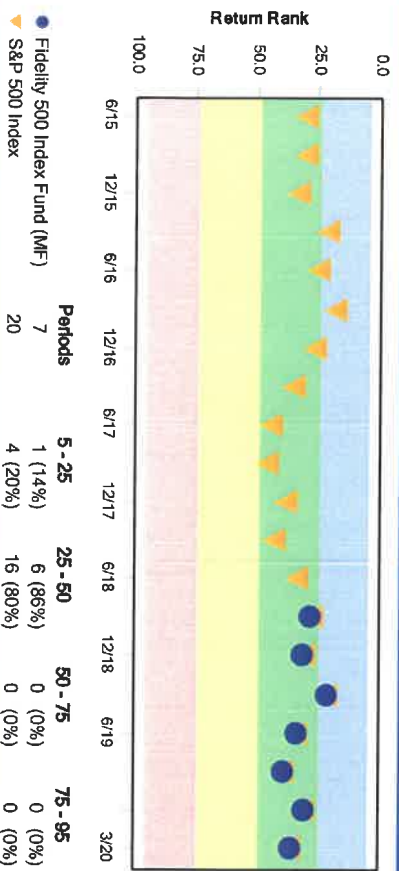
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Highland Large Cap Value (SMA) | -1.93 | 17.05 | 0.35 | 1.02 | -0.13 | 104.30 | 106.17 |
| Russell 1000 Value Index | -2.16 | 16.55 | 0.00 | 1.00 | -0.15 | 100.00 | 100.00 |

Retirement Plan For Employees Of The Town Of Surfside

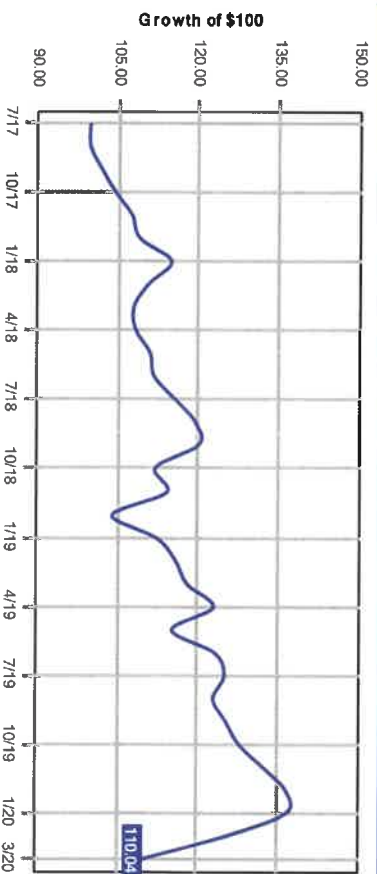
Fidelity 500 Index Fund (MF)

March 31, 2020

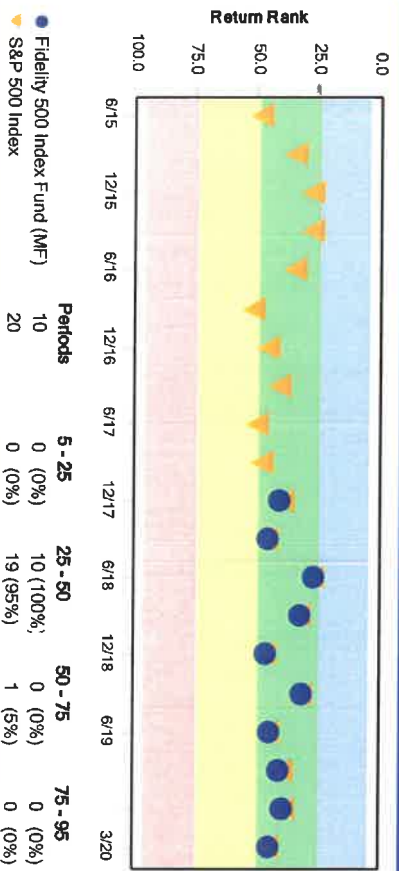
1 Year Rolling Percentile Ranking - 5 Years



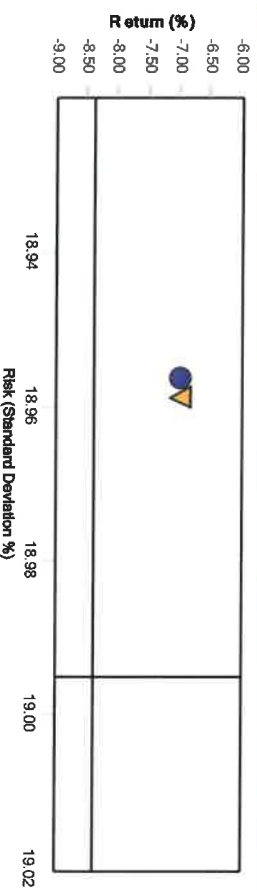
Growth of a Dollar



1 Quarter Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 1 Year



Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Fidelity 500 Index Fund (MF) | -6.99 | 18.96 | -0.01 | 1.00 | -0.40 | 99.99 | 99.94 |
| S&P 500 Index | -6.98 | 18.96 | 0.00 | 1.00 | -0.40 | 100.00 | 100.00 |

Historical Statistics - 1 Quarter

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Fidelity 500 Index Fund (MF) | -19.59 | 5.12 | 0.00 | 1.00 | -1.36 | 99.98 | N/A |
| S&P 500 Index | -19.60 | 5.12 | 0.00 | 1.00 | -1.37 | 100.00 | N/A |

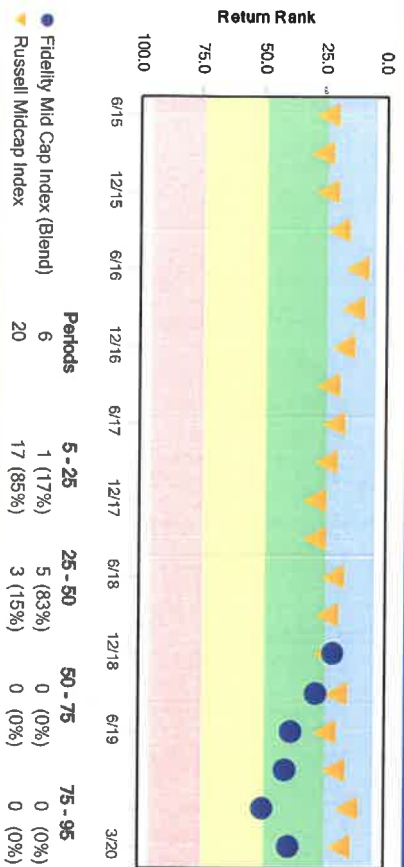


Retirement Plan For Employees Of The Town Of Surfside

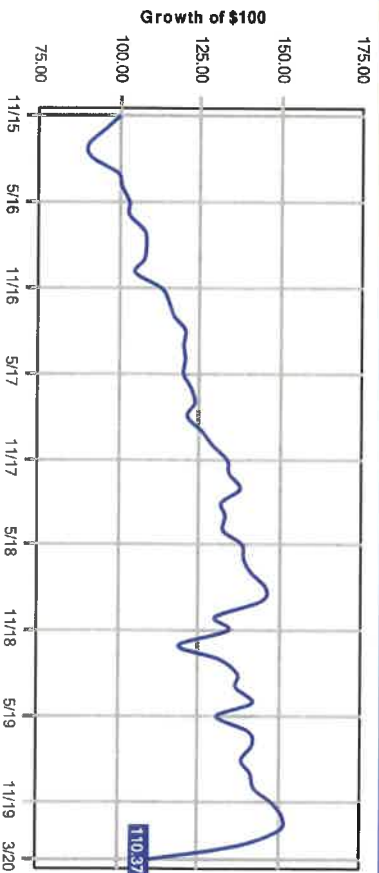
Fidelity Mid Cap Index (Blend)

March 31, 2020

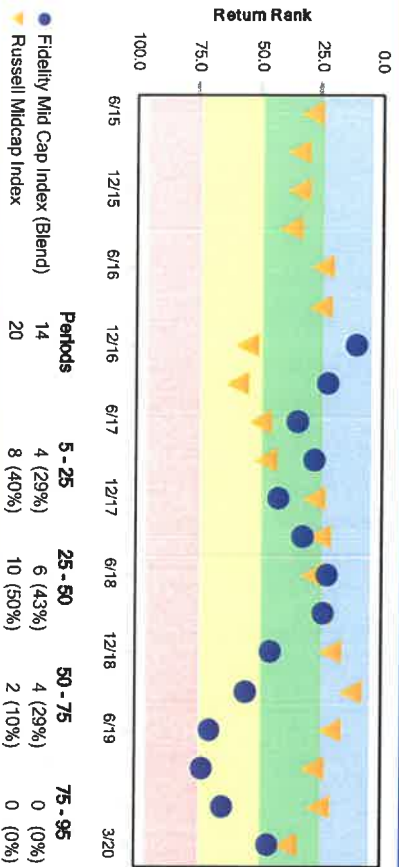
3 Years Rolling Percentile Ranking - 5 Years



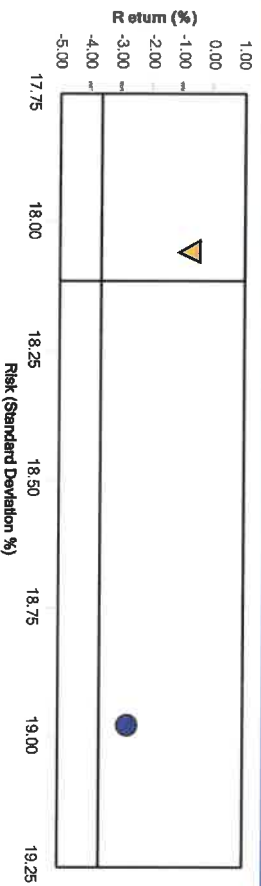
Growth of a Dollar



1 Year Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 3 Years



Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Fidelity Mid Cap Index (Blend) | -2.79 | 18.98 | -1.85 | 1.04 | -0.14 | 109.49 | 100.59 |
| Russell Midcap Index | -0.87 | 18.06 | 0.00 | 1.00 | -0.05 | 100.00 | 100.00 |

Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Fidelity Mid Cap Index (Blend) | -19.26 | 24.46 | -0.54 | 1.03 | -0.82 | 104.15 | 102.80 |
| Russell Midcap Index | -18.37 | 23.76 | 0.00 | 1.00 | -0.87 | 100.00 | 100.00 |

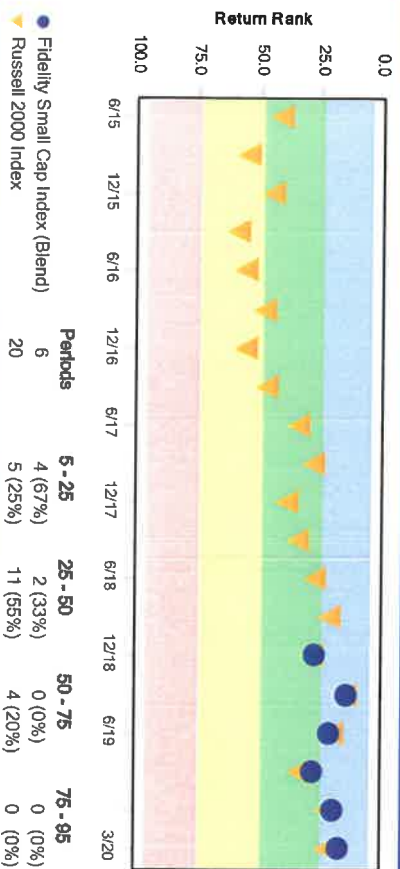


Retirement Plan For Employees Of The Town Of Surfside

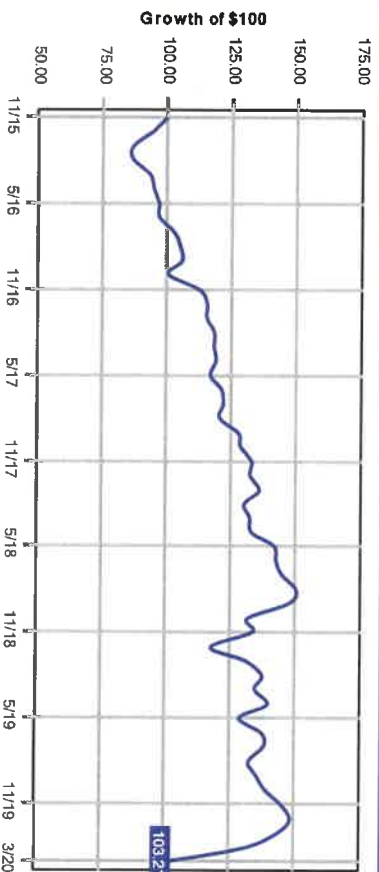
Fidelity Small Cap Index (Blend)

March 31, 2020

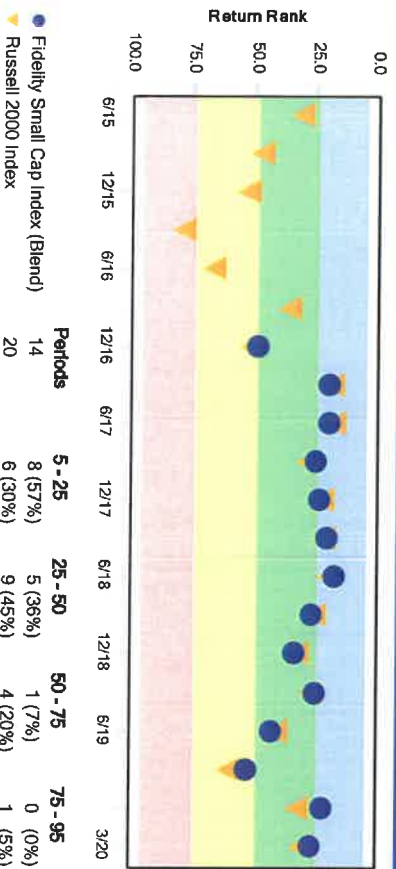
3 Years Rolling Percentile Ranking - 5 Years



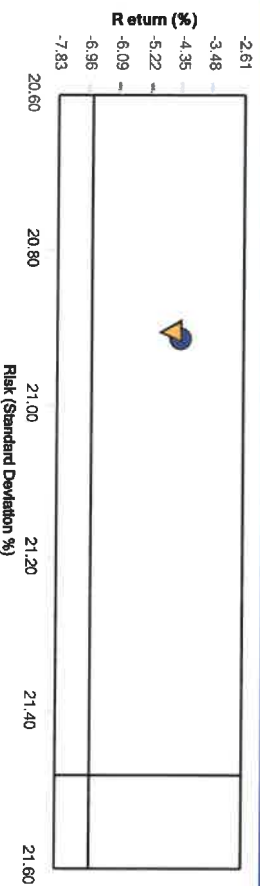
Growth of a Dollar



1 Year Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 3 Years



Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|----------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Fidelity Small Cap Index (Blend) | -4.38 | 20.92 | 0.28 | 1.00 | -0.19 | 99.27 | 100.32 |
| Russell 2000 Index | -4.64 | 20.91 | 0.00 | 1.00 | -0.20 | 100.00 | 100.00 |

Historical Statistics - 1 Year

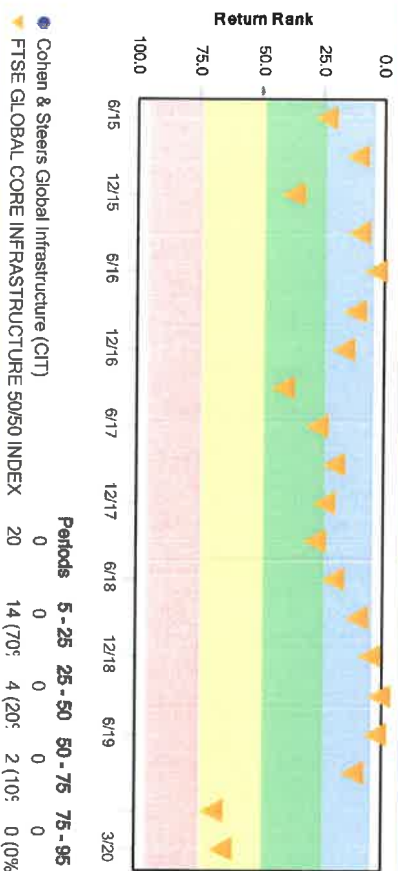
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|----------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Fidelity Small Cap Index (Blend) | -23.44 | 26.23 | 0.63 | 1.00 | -0.94 | 98.68 | 100.37 |
| Russell 2000 Index | -23.89 | 26.29 | 0.00 | 1.00 | -0.97 | 100.00 | 100.00 |

Retirement Plan For Employees Of The Town Of Surfside

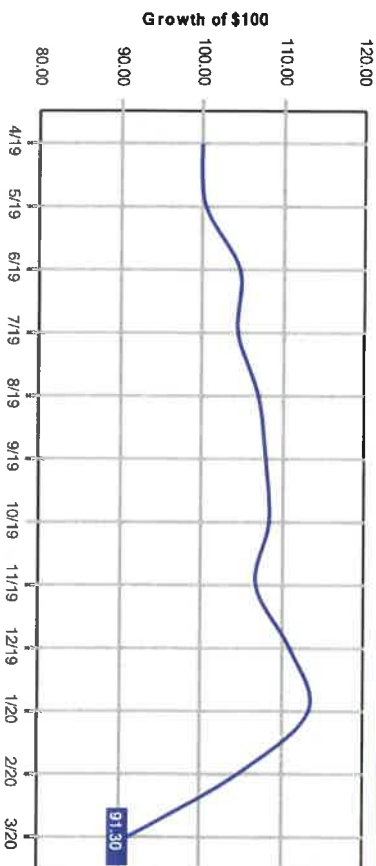
Cohen & Steers Global Infrastructure (CIT)

March 31, 2020

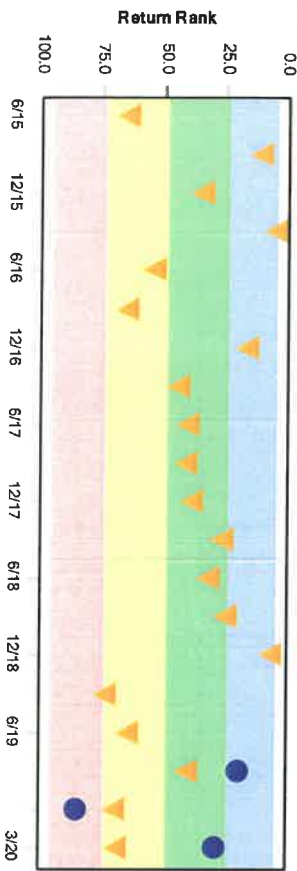
1 Year Rolling Percentile Ranking - 5 Years



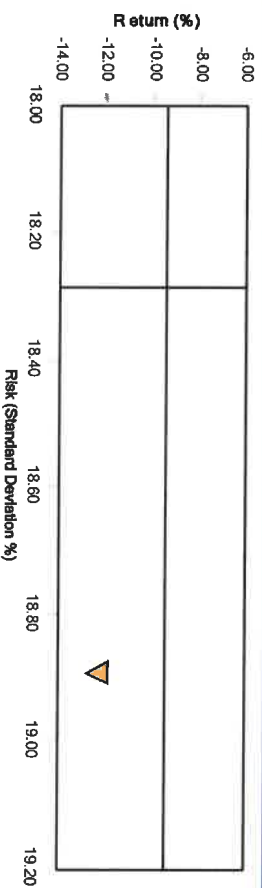
Growth of a Dollar



1 Quarter Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 1 Year



Historical Statistics - 1 Year

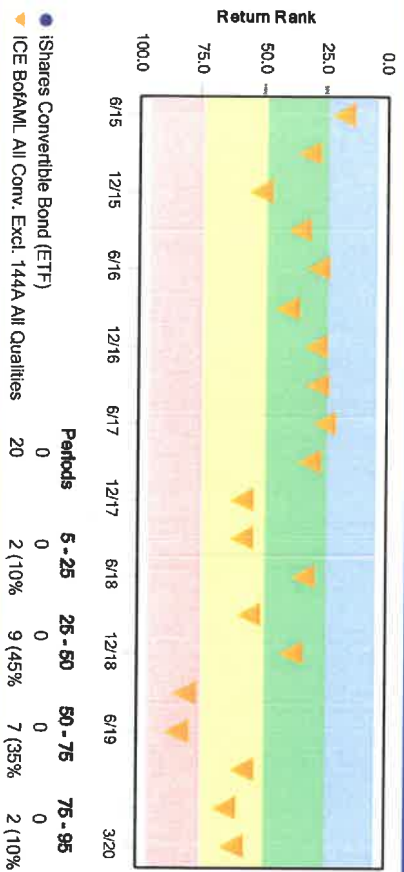
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Cohen & Steers Global Infrastructure (CIT) | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| FTSE GLOBAL CORE INFRASTRUCTURE 50/50 INDEX | -12.31 | 18.89 | 0.00 | 1.00 | -0.71 | 100.00 | 100.00 |

Historical Statistics - 1 Quarter

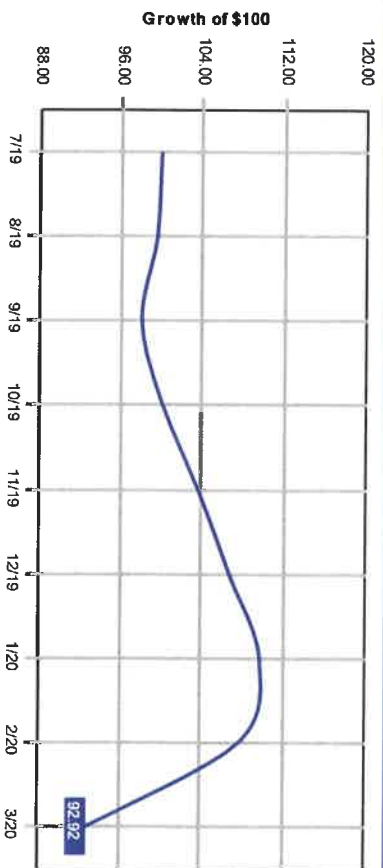
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Cohen & Steers Global Infrastructure (CIT) | -17.79 | 6.21 | 0.15 | 0.85 | -1.01 | 84.36 | 97.59 |
| FTSE GLOBAL CORE INFRASTRUCTURE 50/50 INDEX | -21.24 | 7.29 | 0.00 | 1.00 | -1.03 | 100.00 | 100.00 |

Retirement Plan For Employees Of The Town Of Surside iShares Convertible Bond (ETF) March 31, 2020

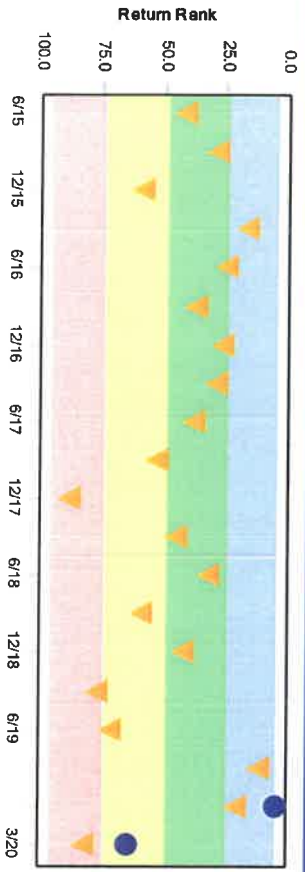
1 Year Rolling Percentile Ranking - 5 Years



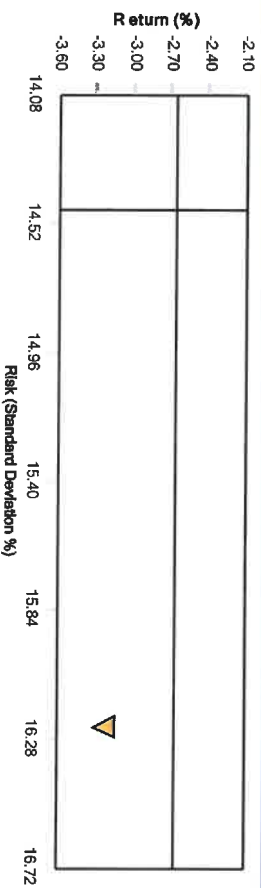
Growth of a Dollar



1 Quarter Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 1 Year



Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| iShares Convertible Bond (ETF) | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| ICE BofAML All Conv. Excl. 144A All Qualities | -3.23 | 16.25 | 0.00 | 1.00 | -0.25 | 100.00 | 100.00 |

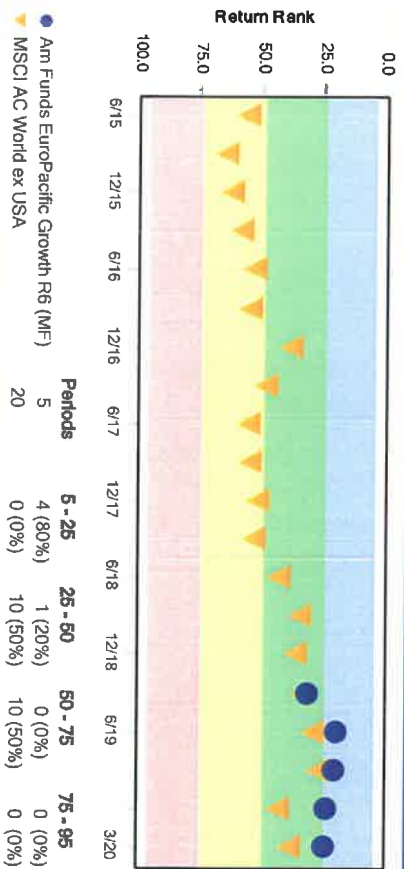
Historical Statistics - 1 Quarter

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| iShares Convertible Bond (ETF) | -13.08 | 6.97 | 0.23 | 1.01 | -0.64 | 94.77 | 89.23 |
| ICE BofAML All Conv. Excl. 144A All Qualities | -13.54 | 6.85 | 0.00 | 1.00 | -0.68 | 100.00 | 100.00 |

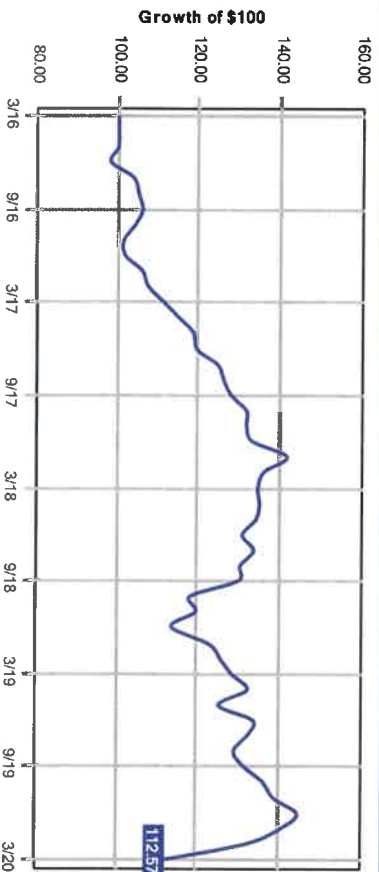


Retirement Plan For Employees Of The Town Of Surfside Am Funds EuroPacific Growth R6 (MF) March 31, 2020

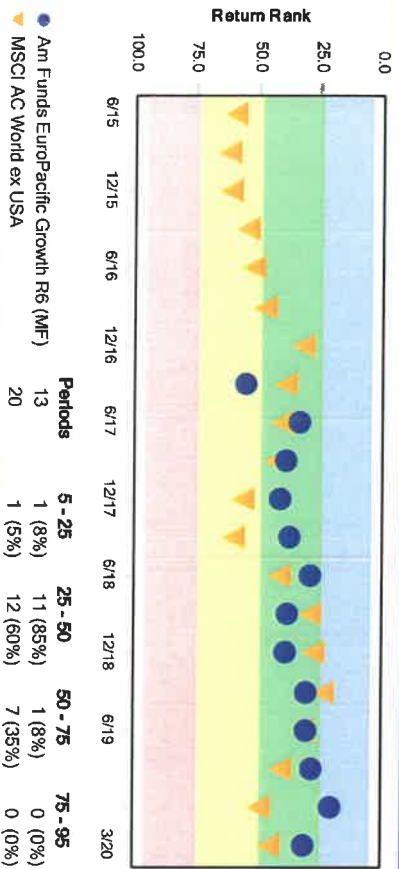
3 Years Rolling Percentile Ranking - 5 Years



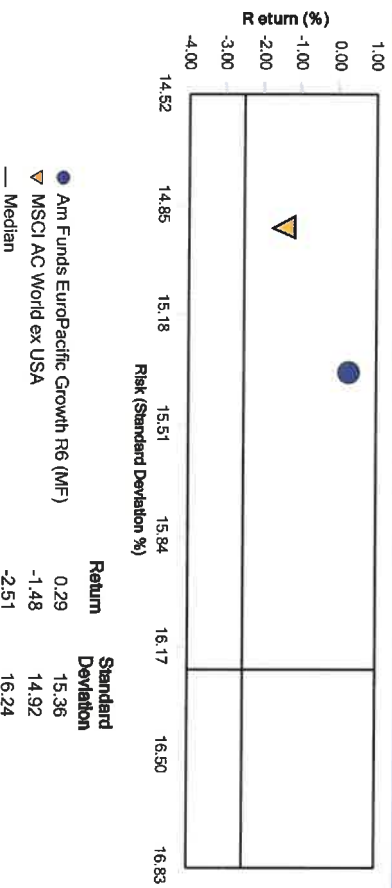
Growth of a Dollar



1 Year Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 3 Years



Historical Statistics - 3 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Am Funds EuroPacific Growth R6 (MF) | 0.29 | 15.36 | 1.87 | 1.01 | -0.02 | 98.25 | 105.64 |
| MSCI AC World ex USA | -1.48 | 14.92 | 0.00 | 1.00 | -0.14 | 100.00 | 100.00 |

Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Am Funds EuroPacific Growth R6 (MF) | -12.70 | 19.52 | 2.72 | 0.99 | -0.70 | 95.01 | 105.32 |
| MSCI AC World ex USA | -15.14 | 19.53 | 0.00 | 1.00 | -0.84 | 100.00 | 100.00 |

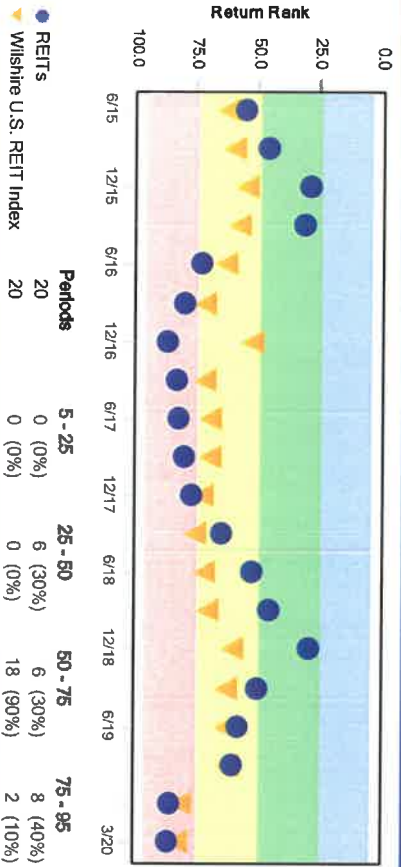


Retirement Plan For Employees Of The Town Of Surfside

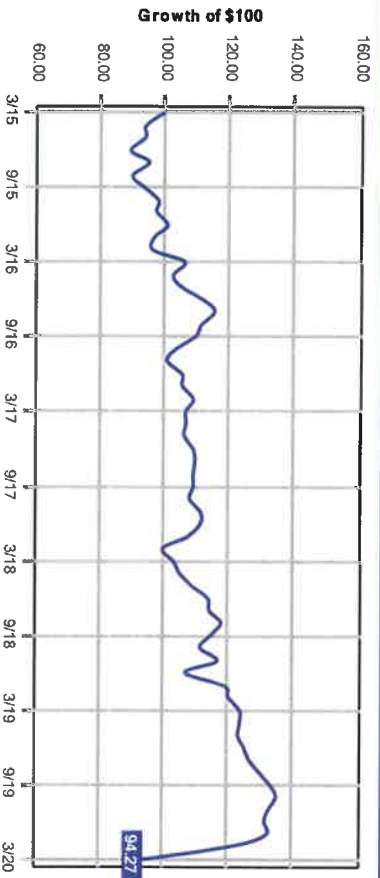
REITs

March 31, 2020

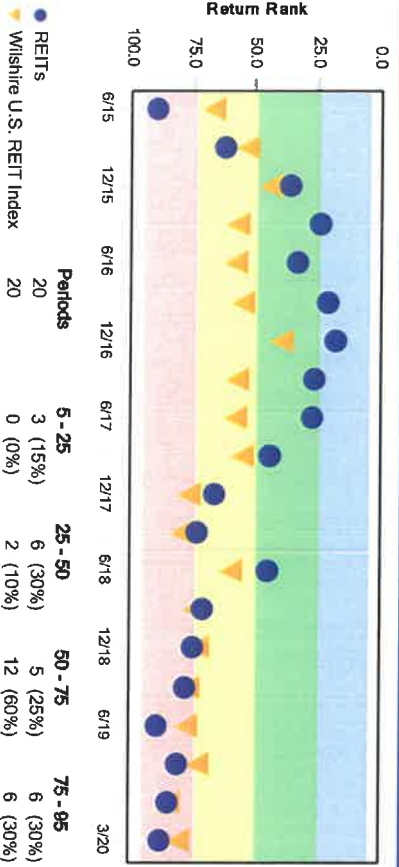
5 Years Rolling Percentile Ranking - 5 Years



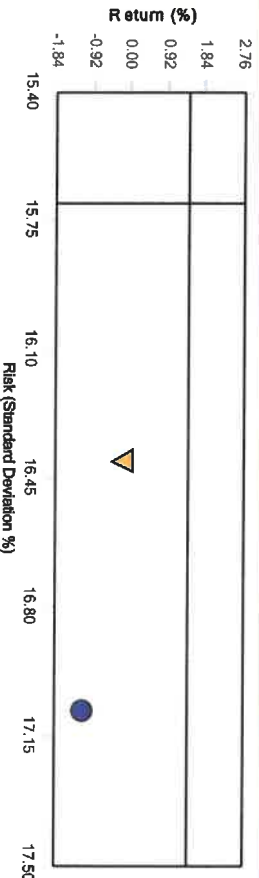
Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 5 Years



Historical Statistics - 5 Years

| REITs | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| REITs | -1.17 | 17.09 | -0.88 | 1.04 | -0.05 | 103.46 | 99.18 |
| Wilshire U.S. REIT Index | -0.19 | 16.40 | 0.00 | 1.00 | 0.06 | 100.00 | 100.00 |

Historical Statistics - 3 Years

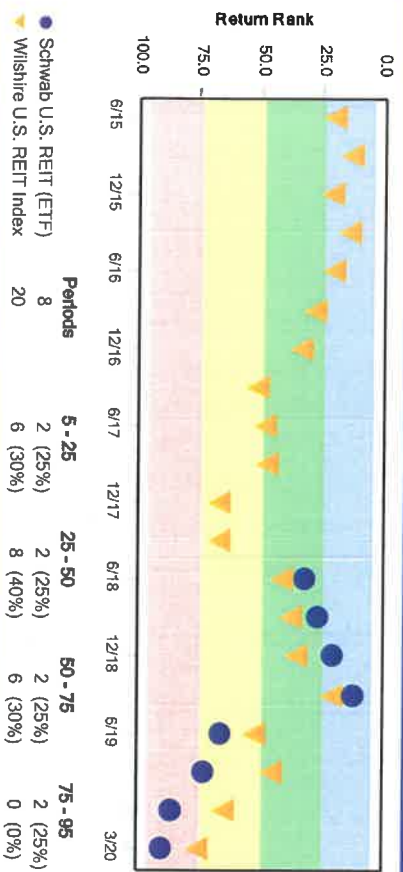
| REITs | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| REITs | -4.18 | 18.12 | -1.47 | 1.05 | -0.24 | 104.41 | 96.30 |
| Wilshire U.S. REIT Index | -2.49 | 17.19 | 0.00 | 1.00 | -0.16 | 100.00 | 100.00 |

Retirement Plan For Employees Of The Town Of Surfside

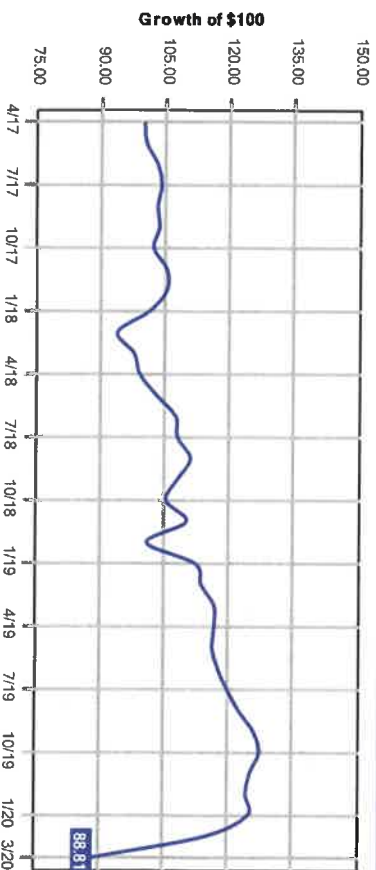
Schwab U.S. REIT (ETF)

March 31, 2020

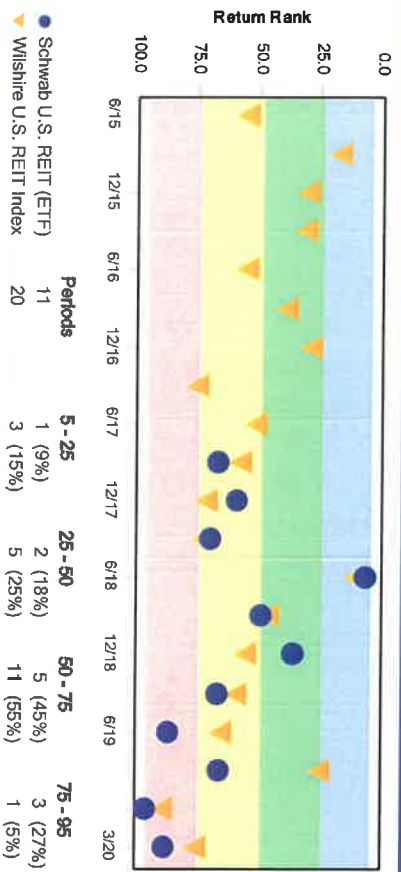
1 Year Rolling Percentile Ranking - 5 Years



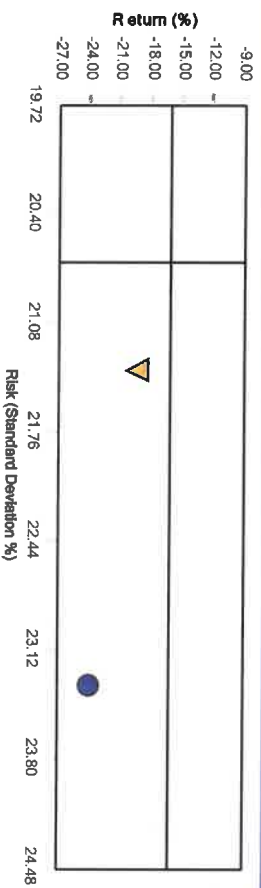
Growth of a Dollar



1 Quarter Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 1 Year



Historical Statistics - 1 Year

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Schwab U.S. REIT (ETF) | -24.11 | 23.35 | -3.62 | 1.09 | -1.13 | 110.74 | 81.08 |
| Wilshire U.S. REIT Index | -19.38 | 21.38 | 0.00 | 1.00 | -0.98 | 100.00 | 100.00 |

Historical Statistics - 1 Quarter

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Schwab U.S. REIT (ETF) | -28.51 | 9.43 | -0.11 | 1.11 | -1.08 | 110.39 | 51.43 |
| Wilshire U.S. REIT Index | -25.63 | 8.60 | 0.00 | 1.00 | -1.07 | 100.00 | 100.00 |

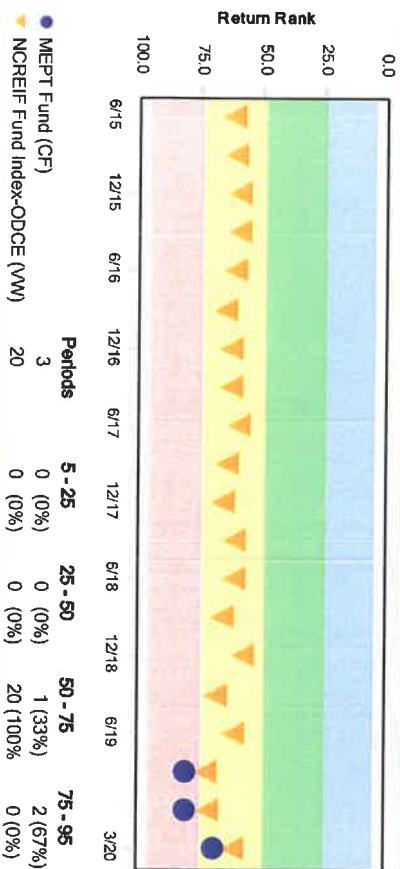


Retirement Plan For Employees Of The Town Of Surfside

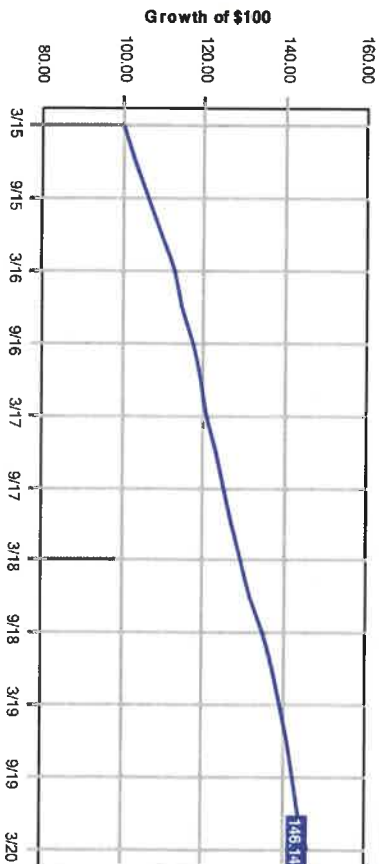
MEPT Fund (CF)

March 31, 2020

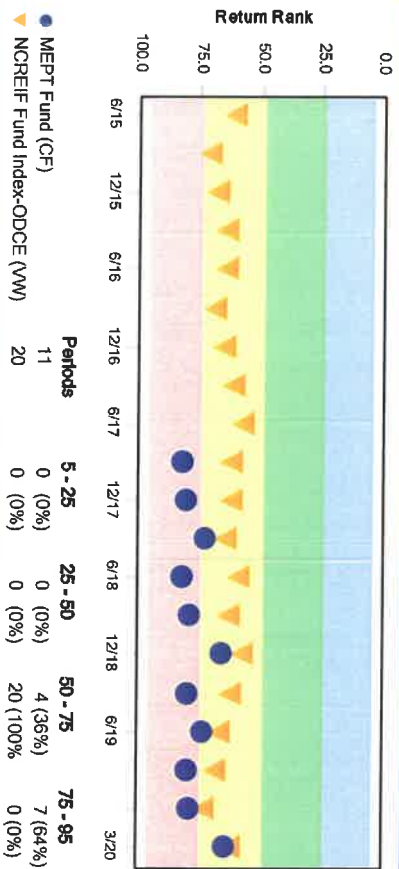
5 Years Rolling Percentile Ranking - 5 Years



Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years

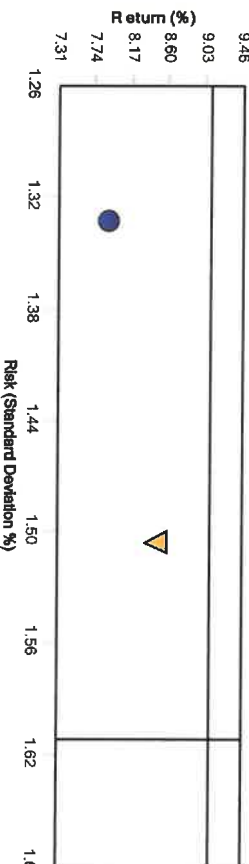


Historical Statistics - 5 Years

| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| MEPT Fund (CF) | 7.88 | 1.33 | 1.52 | 0.75 | 3.91 | N/A | 93.38 |
| NCREIF Fund Index-ODCE (VM) | 8.46 | 1.51 | 0.00 | 1.00 | 3.77 | N/A | 100.00 |

Historical Statistics - 3 Years

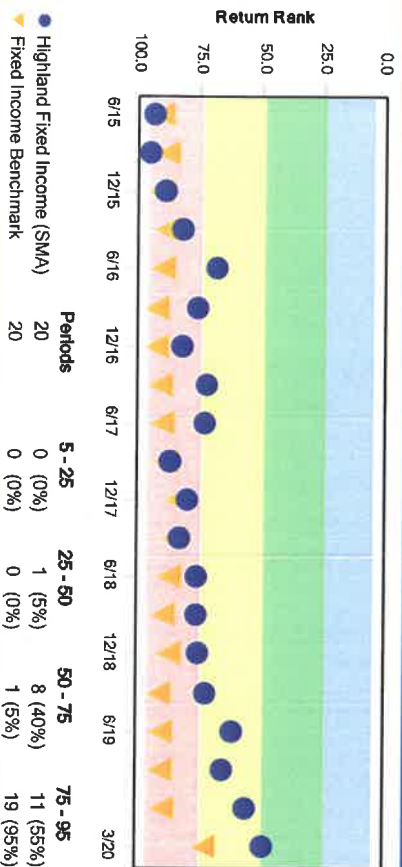
| | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| MEPT Fund (CF) | 6.45 | 0.80 | 2.32 | 0.60 | 4.99 | N/A | 94.85 |
| NCREIF Fund Index-ODCE (VM) | 6.87 | 0.81 | 0.00 | 1.00 | 4.80 | N/A | 100.00 |



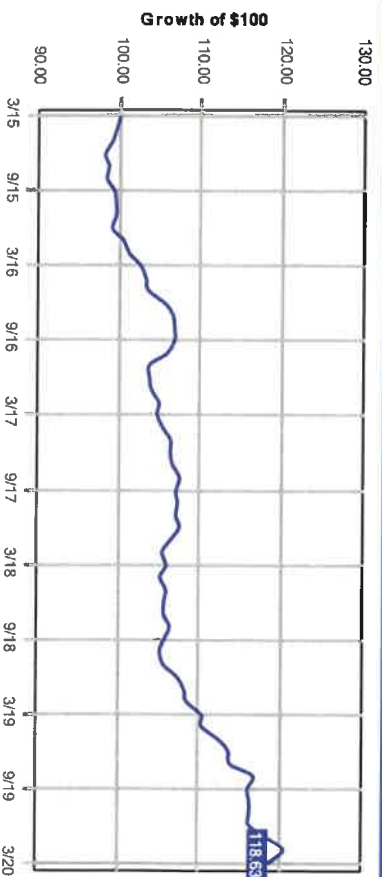
Peer Group Risk/Reward - 5 Years

Retirement Plan For Employees Of The Town Of Surfside Highland Fixed Income (SMA) March 31, 2020

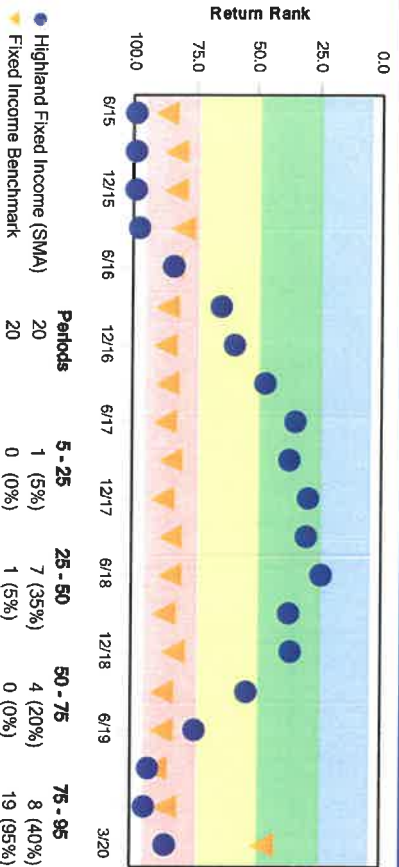
5 Years Rolling Percentile Ranking - 5 Years



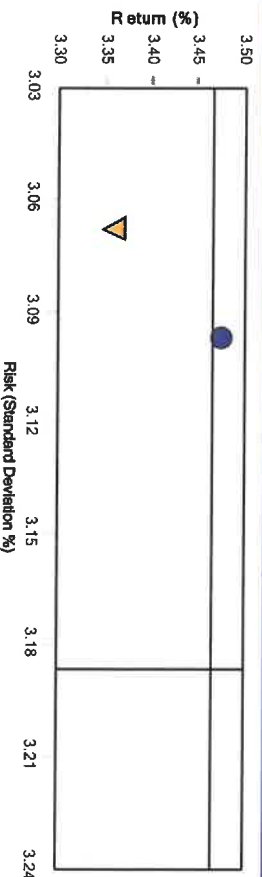
Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 5 Years



Historical Statistics - 5 Years

| Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------|--------------------|-------|------|--------------|---------------------|-------------------|
| Highland Fixed Income (SMA) | 3.48 | 3.10 | 0.19 | 0.98 | 100.37 | 102.13 |
| Fixed Income Benchmark | 3.36 | 3.07 | 1.00 | 0.73 | 100.00 | 100.00 |

Historical Statistics - 3 Years

| Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------|--------------------|-------|-------|--------------|---------------------|-------------------|
| Highland Fixed Income (SMA) | 4.21 | 3.17 | -0.48 | 0.98 | 110.31 | 94.81 |
| Fixed Income Benchmark | 4.82 | 3.15 | 0.00 | 0.95 | 100.00 | 100.00 |

Retirement Plan For Employees Of The Town Of Surfside

Glossary

March 31, 2020

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.
- CORE- An equal weighting in both growth and value stocks.
- CORRELATION COEFFICIENT- A measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- GROWTH MANAGER- Generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$10 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MILD CAP- Generally, the term refers to a company that has a market capitalization between \$2 and \$10 billion.
- NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.
- NET- Investment return accounts only for manager fees.
- PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).
- RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period, excluding contributions.
- RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.
- R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

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- SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.
- SMALL CAP- Generally refers to a company with a market capitalization \$300 million to \$2 billion.
- STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.
- SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).
- TIME WEIGHTED (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) returns are the same and vice versa.
- TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.
- TREYNOR RATIO- A measure of reward per unit of risk (excess return divided by beta).
- UP AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.
- VALUE MANAGER- Generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.

Retirement Plan For Employees Of The Town Of Surfside
Disclosure
March 31, 2020

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

Performance Reporting:

1. Changes in portfolio valuations due to capital gains or losses, dividends, interest, income and management fees are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
2. Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
3. Individual client returns may vary due to a variety of factors, including differences in investment objectives, asset allocating and timing of investment decisions.
4. Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
5. The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
6. Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
7. Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe subject to revision.
8. BCA relies on third party vendors to supply tax cost and market values. In the event that cost values are not available, market values may be used as a substitute.
9. BCA has not reviewed the risks of individual security holdings.
10. BCA investment reports are not indicative of future results.
11. Performance rankings are time sensitive and subject to change.
12. Mutual Fund (MF), Collective Investment Trusts (CIT) and Exchange Traded Funds (ETF) are ranked in net of fee universes.
13. Separately Managed Account (SMA) and Commingled Fund (CF) returns are ranked in gross of fees universes.
14. Composite returns are ranked in universes that encompass both gross and net of fee returns.
15. Total Fund returns are ranked in a gross of fee universe.
16. For a free copy of Part II (mailed w/ 5 bus. days from request receipt) of Burgess Chambers & Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact:
315 East Robinson Street Suite #890, Orlando, Florida 32801, 407-644-0111, info@burgesschambers.com.

**RETIREMENT PLAN FOR THE EMPLOYEES
OF THE TOWN OF SURFSIDE**
Investment Policy Statement

I. SCOPE: This Investment Policy shall apply to all funds under control of the Board.

II. INVESTMENT OBJECTIVES:

- A. To obtain a reasonable total rate of return, defined as income plus realized and unrealized capital gains and losses, commensurate with the Prudent Person Rule.
- B. To obtain reasonable consistency of returns judged over a three to five-year period.
- C. To protect capital against the erosion of inflation and wide swings in the value of assets.
- D. To have the ability to pay all benefit and expense obligations when due.
- E. To maintain sufficient funding for (a) unexpected developments, (b) possible future increases in benefits and/or (c) reduction in expected returns on investments or interest rate assumptions.
- F. To maximize total return.

III. PERFORMANCE MEASUREMENT: The following performance measures shall be used as objective criteria for evaluating the effectiveness of the Investment Managers.

- A. Total Fund Performance. Achievement of an average annual rate of return over all three-year periods that meets or exceeds the actuarial assumption rate.
- B. Large-Cap Performance. This portion of the portfolio is expected to perform at a rate that achieves the appropriate Large Cap Stock Index and is in the top 40% of an appropriate *large-cap equity* manager universe.
- C. Mid-Cap Performance. This portion of the portfolio is expected to perform at a rate that achieves the Russell Mid-cap Index and is in the top 40% of an appropriate *mid-cap equity* manager universe.
- D. Convertibles Index. This portion of the portfolio is expected to a rate that achieves the Bank of America Merrill Lynch Convertible Index.
- E. Small-Cap Performance. This portion of the portfolio is expected to perform at a rate that achieves the Russell 2000 Index and is in the top 40% of an appropriate *small-cap equity* manager universe.
- F. International Equity Performance. This portion of the portfolio is expected to perform at a rate that achieves the MSCI All Country World Index (ACWI) ex US and is in the top 40% of an appropriate *international equity* manager universe.
- G. Real Estate Investment Trust (REIT) Performance. This portion of the portfolio is expected to perform at a rate that achieves the Wilshire REIT Index and is in the top 40% of an appropriate *REIT* manager universe.
- H. Bond Performance. The bond portion of the portfolio, is expected to perform at a rate that exceeds the Bloomberg Barclay's Aggregate Bond Index and is in the top 40% of a nationally recognized *broad market fixed income* manager universe.

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I. Private Real Estate performance. This portion of the portfolio is expected to perform at a rate that achieves the NCREIF Open End Diversified Core Equity (ODCE) Index.

J. Infrastructure. This portion of the portfolio is expected to perform at a rate that achieves the FTSE Global Core Infrastructure 50/50 Index.

K. Passive Investments. Index ETF and Mutual Funds are expected to perform at a rate that is similar to the corresponding index.

IV. ASSET ALLOCATION AND REBALANCING PROCEDURE

The investment strategy of the Fund utilizes separate investment approaches, each having a target allocation and range (based on market values), as follows:

| | <u>%Target</u> | <u>% Range</u> |
|---------------------------|----------------|----------------|
| Domestic Large Cap Equity | 32 | 25 - 40 |
| Convertibles | 5 | 3 - 8 |
| Domestic Mid Cap Equity | 5 | 3 - 8 |
| Domestic Small Cap Equity | 5 | 3 - 8 |
| Infrastructure | 5 | 3 - 8 |
| International equity | 10 | 5 - 15 |
| Real Estate (REIT) | 5 | 0 - 8 |
| Real Estate (Direct) | 5 | 3 - 8 |
| Fixed Income | 25 | N/A |
| Cash | 3 | 0 - 5 |
| Total | 100 | |

Hybrid benchmark objective as follows:

| | |
|---------------------------------------|------------|
| S&P 500 | 32 |
| BOA ML Convertible | 5 |
| Russell Mid Cap | 5 |
| Russell 2000 | 5 |
| FTSE Global Core Infrastructure 50/50 | 5 |
| MSCI ACWI ex US | 10 |
| Wilshire Real Estate Securities index | 5 |
| NCREIF ODCE | 5 |
| Barclay's Aggregate | 25 |
| 90-day Treasury | 3 |
| Total | 100 |

Since market conditions will favor one approach over another, during 12 to 36-month time periods, the asset allocation will require periodic rebalancing. Because the long-term approach of the Fund is to achieve blended returns of five separate investment approaches, it is essential that weightings remain within the above ranges. Accordingly, at least annually, shall review the asset allocation and recommend action.

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V. INVESTMENT AND FIDUCIARY STANDARDS: In performing their investment duties, the Board, its Investment Managers, and Investment Consultant shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1104 (a) (1) (A)-(C). That is, they must discharge their duties with respect to the Fund solely in the interest of the participants and beneficiaries:

A. for the exclusive purpose of:

1. providing benefits to participants and their beneficiaries; and
2. defraying reasonable expenses of administering the Fund;

B. with the care, skill, prudence, and diligence under the circumstance then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims;

C. by diversifying the investments of the Fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

VI. INVESTMENT GUIDELINES: If on October 1, of each year investments exceed the applicable limit or do not satisfy the applicable investment standard, such excess or noncompliant investment may be continued until it is economically feasible to dispose of such investment, but no additional investment may be made.

A. Authorized Investments. All investments made or held by the Fund shall be limited to the following:

1. Cash Equivalents.
2. Obligations issued by the United States Government or obligations guaranteed as to principal and interest by the United States Government or by an agency of the United States Government.
3. Bonds issued by the State of Israel.
4. Bonds or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, or any state or organized territory of the United States, or the District of Columbia, provided:
 - a) the corporation is listed on any one or more of the recognized national stock exchanges or on the National Market System of the NASDAQ stock market
 - b) the issuer has an investment quality rating within the top four rating classifications. Up to 20% of the bond portfolio may be invested in the 4th rating classification.
5. Equity investment (common stock, high yield bonds, convertible preferred, convertible bonds and preferred stock) in a corporation listed on one or more of the recognized national exchanges or on the National Market System of the NASDAQ, mutual funds and ETF-exchange traded funds.

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6. Commingled equity, bond, real estate, or money market funds whose investments are restricted to securities meeting the criteria of this section.
7. Master Limited Partnerships.

B. Limitations:

1. Investments in equities shall not exceed 70% of the Fund assets at market.
2. Not more than five percent (5%) of the Fund's assets at cost shall be invested in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed five percent (5%) of the outstanding capital stock of that company.
3. Foreign equity investments shall not exceed twenty-five percent (25%) of the Fund's assets at market value.

C. Prohibited Investments. The following investments are prohibited:

1. Bonds issued by any state or municipality (except for Build America Bonds or similar US Government backed stimulus programs).
2. Futures
3. Debt obligations issued by a foreign government (*excluding the State of Israel*)
4. Insurance annuities
5. Internally managed assets
6. Margin Accounts
7. Options
8. Private Equity
9. Securities lending
10. Any investment not specifically authorized in this policy
11. Under Protecting Florida's Investment Act (PFIA), scrutinized companies published by the State Board of Administration, unless an indirect investment is unable to divest, as provided for in Florida Statutes, section 215.473.

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VII. MATURITY AND LIQUIDITY REQUIREMENTS: The Fund's Investment Manager(s) shall be kept informed of the liquidity requirements of the Fund. The investment portfolio shall be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash-flow requirements.

VIII. PORTFOLIO COMPOSITION: The Investment Guidelines establish parameters for investments and limits on security issues, issuers, and maturities. Said Guidelines are commensurate with the nature and size of the funds within control of the Board. The Board believes that a Plan's risk and liquidity posture is, in large part, a function of asset class mix. The Board has reviewed long-term performance characteristics of various asset classes, focusing on balancing the risks and rewards of market behavior.

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IX. RISK AND DIVERSIFICATION: The Investment Guidelines provide for appropriate diversification of the portfolio. The investments held by the Fund shall be diversified to the extent practical to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instrument, dealer, or bank, which financial instruments are bought and sold. The Board recognizes the difficulty of achieving the Fund's investment objectives in light of uncertainties and complexities of contemporary investment markets. The Board also recognizes that some risk must be assumed to achieve the Fund's long-term investment objectives. In establishing the risk tolerances, the Fund's ability to withstand short and intermediate term variability has been considered. However, the Fund's strong financial condition enables the Board to adopt a long-term investment perspective.

X. EXPECTED ANNUAL RATE OF RETURN: For each actuarial valuation, the board shall determine the annual rate of return for the current year, for each of the next several years, and for the long term thereafter. This determination shall be filed promptly with the Department of Management Services and with the Plan's Sponsor and the Plan's actuary. The current desired investment objective is a long-term rate of return that will meet or exceed the actuarial assumption rate of return. The target rate of return is for the current year, for each of the next several years and for the long-term thereafter. The target rate of return has been based on the assumption that future real returns will approximate the long-term rates of return experienced for each asset class in the Investment Guidelines. Because market performance varies, the Board has established performance benchmarks for Investment Managers, as set forth in the *Internal Controls* section of this Investment Policy. Over a complete business cycle, the Fund's overall annualized total return, after deducting investment and transaction costs, should be in the top 40th percentile of a *balanced manager* universe and exceed the hybrid index defined in Section IV.

XI. THIRD-PARTY CUSTODIAL AGREEMENTS: All securities shall be held by a third party, and all securities purchased by and collateral obtained by the Board shall be properly designated as an asset of the Fund. No withdrawal of assets, either in whole or in part, shall be made from safekeeping except as authorized by the Board. Security transactions between a broker dealer and a Custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the money or security, as appropriate, in hand at the conclusion of the transaction. The Custodian shall apprise the Trustees of all transactions and shall forward all proxies to the Investment Manager within ten (10) calendar days. On a monthly basis, the Custodian shall supply an accounting statement that will include a summary of all receipts and disbursements and the cost and the market value of all assets.

XII. MASTER REPURCHASE AGREEMENT: All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in the Master Repurchase Agreement. All repurchase agreements transactions shall adhere to requirements of the Master Repurchase Agreement. This provision does not restrict or limit the terms of any such Master Repurchase Agreement.

XIII. BID REQUIREMENT: The Board shall determine the approximate maturity date based on cash flow needs and market conditions, analyze and select one or more optimal types of investment,

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and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected.

XIV. INTERNAL CONTROLS:

A. The Fund shall be governed by a set of written internal controls and operational procedures, which shall be periodically reviewed by the Fund's certified public accountant (CPA). At the time of every financial audit, the CPA shall review the controls that should be designed to prevent loss of funds that might arise from fraud, error, or misrepresentation by third parties or imprudent actions by the Board or the employees of the Town of Surfside.

B. In addition, the Board has adopted the following internal controls with reference to the selection and review of Investment Manager(s):

1. Selection of Investment Manager(s). The Board, with assistance from the Investment Consultant, has selected, and will select, an appropriate Investment Manager(s) to manage Fund assets. Investment Managers must meet the following minimum criteria:

- a) Be a bank, insurance company, investment management company or investment adviser as defined by the Investment Adviser Act of 1940.
- b) Employment of essentially the same Investment Managers for the past five (5) years.
- c) Three and five-year composite performance in the top 40th percentile of a nationally recognized rating service.
- d) Maintenance of an equity portfolio (without cash) standard deviation no more than 120% higher than the market.
- e) Demonstration to the Trustees' satisfaction of past results during changing markets.
- f) Provision of a minimum of five (5) references from Funds of similar size, asset allocation, and objective.
- g) Provision of the names of all public sector clients who have left the firm in the past twelve months.

2. Duties and Responsibilities of Investment Manager(s). The duties and responsibilities of each Investment Manager retained by the Board include:

- a) Managing Fund assets under its care, custody, and/or control in accordance with this Investment Policy or in accordance with separate written agreements when the Board deems modification prudent and desirable.
- b) Exercising investment discretion (including holding cash equivalents as an alternative) within the objectives and guidelines set forth in this Investment Policy.

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c) Promptly informing the Board in writing regarding all significant and/or material matters and changes pertaining to the investment of Fund assets, including, but not limited to:

- (1) Investment Strategy
- (2) Portfolio Structure
- (3) Tactical Approaches
- (4) Firm Ownership
- (5) Organizational Structure
- (6) Financial Condition
- (7) Professional Staff
- (8) Recommendations for Guideline Changes
- (9) All legal, SEC, and other proceedings affecting the Firm

d) Timely voting all proxies and related actions in a manner consistent with the long-term interests and objectives of the Fund as set forth herein. Each Investment Manager shall keep a detailed record of said proxy voting and related actions and will comply with all regulatory obligations related thereto. Reports of such voting and actions shall be delivered to the Board no less frequently than quarterly.

e) On a quarterly basis, the Investment Manager shall provide a written report affirming compliance with the security restrictions of Section VI and a summary of common stock diversification and attendant schedules. In addition, the Investment Manager shall deliver each quarter a report detailing the Fund's performance, adherence to the investment policy, listing the quality ratings of each security, forecast of the market and economy, portfolio analysis and current assets of the Trust. Written reports shall be delivered to the Trustees within sixty (60) days of the end of each quarter. The Investment Manager will provide immediate written and telephone notice to the Trustees of any significant market related or no-market related event, specifically including, but not limited to, any deviation from the standards set forth in Section VI.

f) If the Fund owns securities, which complied with Section VI at the time of purchase, which are subsequently down graded while held, the Investment Manager will dispose of such securities immediately.

g) Utilizing the same care, skill, prudence, and due diligence under the circumstances then prevailing the experienced investment professionals acting in like capacity and fully familiar with such matters would use in like activities for like retirement plans with like aims in accordance with all applicable laws, rules, and regulations from local, state, federal, and international political entities as they may pertain to fiduciary duties and responsibilities.

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h) Acknowledging and agreeing in writing to their fiduciary responsibility fully to comply with the entire Investment Policy, as same may be modified from time to time.

3. Monitoring of Investment Managers. Quarterly performance will be evaluated to test progress toward the attainment of long-term targets. The Board understands that there may be short-term periods during which performance deviates from market indices. During such periods, greater emphasis shall be placed on peer performance comparison with Investment Managers employing similar styles.

From time to time, but no less than quarterly, the Board will meet to focus on:

- a) Investment Manager's adherence to this Investment Policy
- b) Material changes in the Investment Manager's organization, investment philosophy, and/or personnel.
- c) Comparisons of Investment Manager's results to indices and peer groups.

The Board is aware that ongoing review and analysis of the Investment Manager(s) is as important as the due diligence utilized during the manager selection process. Accordingly, a thorough review and analysis of the Investment Manager(s) shall be conducted if:

- o An Investment Manager performs below the appropriate benchmark
- o An Investment Manager performs below the 40th percentile for four (4) consecutive quarters.
- o There is a change in senior investment personnel.
- o There is a significant gain or loss of business.
- o There is a change in firm ownership and/control.

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XV. CONTINUING EDUCATION: The Board acknowledges the importance of continuing education for the Trustees. The Trustees are encouraged to attend educational conferences in connection with their duties and responsibilities as Trustees. Each Trustee is encouraged to attend at least one continuing education seminar each year concerning matters related to investments and responsibilities of Board members.

XVI. REPORTING: The Board shall submit an annual report to the Town of Surfside. The report shall include investments in the portfolio by class or type, book value, income earned and market value as of the report date. The annual report shall be available to the public.

XVII. FILING OF INVESTMENT POLICY: Upon adoption by the Board, this Investment Policy shall be promptly filed with the Florida Department of Management Services, the Town of Surfside, and the consulting actuary. The effective date of the Investment Policy Statement, and any amendment thereto, shall be the 31st calendar day following the filing date with the Town of Surfside.

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XVIII. VALUATION OF ILLIQUID INVESTMENTS: Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism are prohibited.

XIX. FLORIDA STATUTES 112.661 AND 185, AND APPLICABLE TOWN OF SURFSIDE ORDINANCES: If any portion of this Investment Policy Statement is found to be in conflict with Chapters 112.661 or 185, *Florida Statutes*, or the applicable Town of Surfside Ordinances, the Statutes and Ordinances shall prevail.

**BOARD OF TRUSTEES
TOWN OF SURFSIDE
POLICE OFFICERS PENSION PLAN**

By: 
As Chairman, Board of Trustees


Date: 11/18/19, 2019

ATTEST:

By: _____
As,

Date: _____, 2019

HIGHLAND CAPITAL MANAGEMENT

By: 
As,

Date: 11/15/19, 2019

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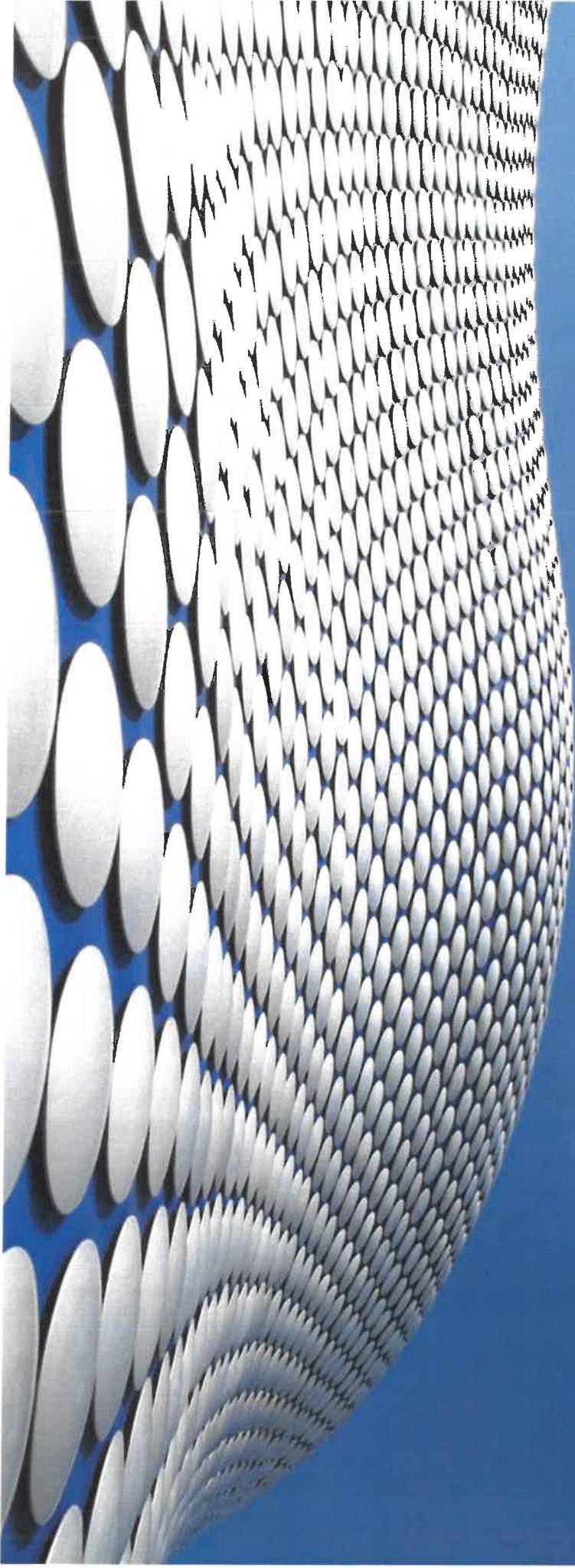
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May 2020

TOWN OF SURFSIDE
LCG Analysis



Growth vs. Value [March 2020]

| | Energy | Financials | Materials | Industrials | Cons. Discr. | Technology | Comm. Services* | Real Estate | Health Care | Cons. Staples | Utilities | S&P 500 Index | |
|---|--------|------------|-----------|-------------|--------------|------------|-----------------|-------------|-------------|---------------|-----------|---------------|------------|
| S&P weight | 2.6% | 10.9% | 2.4% | 8.2% | 9.8% | 25.5% | 10.7% | 3.0% | 15.4% | 7.8% | 3.6% | 100.0% | Weight |
| Russell Growth weight | 0.1% | 2.9% | 1.2% | 8.0% | 14.1% | 39.8% | 11.7% | 2.5% | 15.1% | 4.6% | 0.0% | 100.0% | |
| Russell Value weight | 5.4% | 21.3% | 4.2% | 9.4% | 5.2% | 6.8% | 8.6% | 5.1% | 15.5% | 10.6% | 7.8% | 100.0% | |
| 1Q 2020 | -50.5 | -31.9 | -26.1 | -27.0 | -19.3 | -11.9 | -17.0 | -19.2 | -12.7 | -12.7 | -13.5 | -19.6 | |
| YTD | -60.5 | -31.9 | -26.1 | -27.0 | -19.3 | -11.9 | -17.0 | -19.2 | -12.7 | -12.7 | -13.5 | -19.6 | |
| Since market peak (October 2007) | -47.2 | -7.1 | 38.7 | 74.9 | 222.5 | 294.6 | 48.8 | 70.6 | 212.0 | 176.1 | 117.3 | 115.3 | |
| Since market low (March 2009) | -3.4 | 407.1 | 230.4 | 380.6 | 646.6 | 726.9 | 184.3 | 532.5 | 403.0 | 287.1 | 280.3 | 381.2 | Return (%) |
| Beta to S&P 500 | 1.39 | 1.25 | 1.21 | 1.21 | 1.09 | 1.06 | 0.95* | 0.79 | 0.75 | 0.60 | 0.36 | 1.00 | B |
| Correl. to Treas. yields | 0.67 | 0.65 | 0.52 | 0.51 | 0.41 | 0.40 | 0.47 | 0.20 | 0.42 | 0.42 | 0.30 | 0.53 | p |
| Foreign % of sales | 51.3 | 30.1 | 56.8 | 43.8 | 34.0 | 58.2 | 44.7 | - | 38.5 | 32.7 | - | 42.9 | % |
| NTMEarnings Growth | -63.0% | 4.0% | 1.5% | -0.9% | 1.5% | 9.3% | 5.5%* | 3.9% | 7.5% | 4.7% | 3.2% | 3.2% | EPS |
| 20-yr avg. | 12.1% | 22.1% | 19.3% | 10.9% | 15.2% | 14.0% | 10.1%* | 7.7%*+ | 9.5% | 8.5% | 4.7% | 11.3% | |
| Forward P/E ratio | 45.0x | 9.1x | 15.3x | 14.9x | 19.9x | 18.6x | 15.6x | 16.1x | 13.9x | 17.6x | 16.9x | 15.4x | P/E |
| 20-yr avg. | 17.0x | 12.5x | 14.0x | 15.9x | 17.8x | 19.4x | 18.2x* | 15.7x | 16.1x | 16.8x | 14.5x | 15.5x | |
| Buyback yield | 0.7% | 5.2% | 2.5% | 2.5% | 2.2% | 3.2% | 1.6% | -1.0% | 2.1% | 1.3% | -2.1% | 2.4% | Bbk |
| 20-yr avg. | 1.5% | -0.1% | 0.7% | 2.0% | 2.4% | 2.8% | 1.2% | -0.8% | 1.9% | 1.8% | -0.9% | 1.6% | |
| Dividend yield | 8.1% | 3.3% | 3.0% | 2.6% | 1.7% | 1.6% | 1.6% | 4.0% | 2.1% | 3.3% | 3.8% | 2.4% | Div |
| 20-yr avg. | 2.4% | 2.3% | 2.6% | 2.2% | 1.4% | 1.0% | 1.6%* | 4.3% | 1.8% | 2.8% | 3.9% | 2.1% | |

Sector Performance [April 2020]

| ANNUAL PERIODS | | | | | | | | | | ANNUALIZED | | | |
|------------------------------------|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 YTD | 3-YEAR | 5-YEAR | 10-YEAR |
| Real Estate 32.3% | Utilities 19.9% | Financials 28.7% | Consumer Discretionary 43.1% | Real Estate 30.2% | Consumer Discretionary 10.1% | Energy Services 27.4% | Information Technology 38.8% | Health Care 6.5% | Information Technology 50.3% | Information Technology 0.2% | Information Technology 21.8% | Information Technology 19.5% | Information Technology 17.1% |
| Consumer Discretionary 27.1% | Consumer Staples 14.0% | Consumer Discretionary 23.9% | Health Care 41.5% | Utilities 29.0% | Health Care 6.9% | Comm. Services 23.5% | Materials 23.8% | Utilities 4.1% | Comm. Services 32.7% | Health Care -1.6% | Health Care 12.0% | Consumer Discretionary 11.4% | Consumer Discretionary 15.0% |
| Industrials 26.7% | Health Care 12.7% | Real Estate 19.8% | Industrials 40.6% | Health Care 25.3% | Consumer Staples 6.0% | Financials 22.7% | Consumer Discretionary 23.0% | Consumer Discretionary 0.8% | Financials 32.1% | Consumer Discretionary -2.7% | Consumer Discretionary 11.6% | S&P 500 Index 9.1% | Health Care 14.6% |
| Materials 22.2% | Real Estate 11.4% | Comm. Services 18.3% | Financials 35.6% | Information Technology 20.1% | Information Technology 5.9% | Industrials 18.8% | Financials 22.1% | Information Technology -0.3% | S&P 500 Index 31.5% | Comm. Services -5.5% | S&P 500 Index 9.0% | Utilities Index 9.1% | S&P 500 Index 11.7% |
| Energy 20.4% | Comm. Services 6.3% | Health Care 17.9% | S&P 500 Index 32.4% | Consumer Staples 16.0% | Real Estate 4.6% | Materials 16.7% | Health Care 22.1% | Real Estate -2.2% | Industrials 29.3% | Consumer Staples 6.8% | Utilities 7.1% | Health Care 8.9% | Consumer Staples 10.9% |
| Comm. Services 19.0% | Consumer Discretionary 6.1% | S&P 500 Index 16.0% | Information Technology 28.4% | Financials 15.2% | Comm. Services 3.4% | Utilities 16.3% | S&P 500 Index 21.8% | S&P 500 Index -4.4% | Real Estate 29.0% | S&P 500 Index -9.3% | Real Estate 6.1% | Real Estate 6.3% | Real Estate 10.3% |
| S&P 500 Index 15.1% | Energy 4.7% | Industrials 15.3% | Consumer Staples 26.1% | S&P 500 Index 13.7% | S&P 500 Index 1.4% | Information Technology 13.8% | Industrials 21.0% | Consumer Staples -8.4% | Consumer Discretionary 27.9% | Utilities -10.7% | Comm. Services 5.3% | Real Estate 6.3% | Real Estate 10.3% |
| Consumer Staples 14.1% | Information Technology 2.4% | Materials 15.0% | Materials 25.6% | Industrials 9.8% | Financials -1.6% | S&P 500 Index 12.0% | Consumer Staples 13.5% | Comm. Services -12.6% | Consumer Staples 27.6% | Real Estate -11.6% | Consumer Staples 4.9% | Financials 5.2% | Comm. Services 9.5% |
| Financials 12.1% | S&P 500 Index 2.1% | Information Technology 14.8% | Energy 25.0% | Consumer Discretionary 9.7% | Industrials -2.6% | Consumer Discretionary 6.0% | Utilities 12.1% | Financials -13.0% | Utilities 26.4% | Materials -14.8% | Materials 1.5% | Comm. Services 5.2% | Industrials 9.0% |
| Information Technology 10.2% | Industrials -0.6% | Consumer Staples 10.8% | Utilities 13.2% | Materials 6.9% | Utilities -4.8% | Consumer Staples 5.4% | Real Estate 10.9% | Industrials -13.3% | Materials 24.6% | Industrials -20.7% | Financials 1.0% | Industrials 4.7% | Financials 7.7% |
| Utilities 5.5% | Materials -9.8% | Energy 4.6% | Comm. Services 11.5% | Comm. Services 3.0% | Materials -8.4% | Real Estate 3.4% | Energy -1.0% | Materials -14.7% | Health Care 20.8% | Financials -25.4% | Industrials 0.4% | Materials 2.9% | Materials 7.0% |
| Health Care 2.9% | Financials -17.1% | Utilities 1.3% | Real Estate 1.0% | Energy -7.8% | Energy -21.1% | Health Care -2.7% | Comm. Services -1.3% | Energy -18.1% | Energy 11.8% | Energy -35.7% | Energy -13.7% | Energy -10.8% | Energy -1.6% |

Growth vs. Value

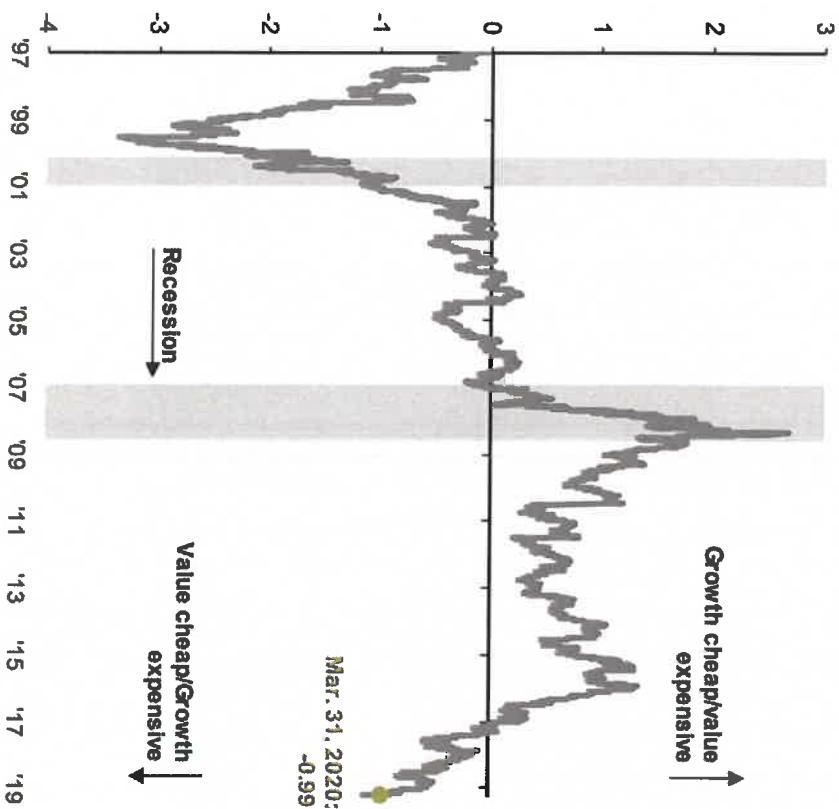
| 1Q 2020 | | | | YTD | | | | Current P/E vs. 20-year avg. P/E | | | |
|----------------------------------|--------|--------|--------|-------------------------------|--------|--------|--------|--------------------------------------|-------------|-------------|-------------|
| Value | Blend | Growth | | Value | Blend | Growth | | Value | Blend | Growth | |
| Large | -26.7% | -19.6% | -14.1% | Large | -26.7% | -19.6% | -14.1% | Large | 12.2 / 13.6 | 15.4 / 15.5 | 20.1 / 18.9 |
| Mid | -31.7% | -27.1% | -20.0% | Mid | -31.7% | -27.1% | -20.0% | Mid | 11.6 / 14.2 | 14.5 / 16.1 | 21.4 / 20.6 |
| Small | -35.7% | -30.6% | -25.8% | Small | -35.7% | -30.6% | -25.8% | Small | 11.9 / 16.4 | 19.5 / 20.5 | 39.8 / 29.6 |
| Since market peak (October 2007) | | | | Since market low (March 2009) | | | | Current P/E as % of 20-year avg. P/E | | | |
| Large | 55.1% | 115.3% | 189.1% | Large | 286.6% | 381.2% | 489.7% | Large | 89.7% | 99.8% | 106.3% |
| Mid | 66.0% | 93.7% | 134.7% | Mid | 324.0% | 367.5% | 442.7% | Mid | 81.7% | 90.0% | 104.3% |
| Small | 33.6% | 62.4% | 93.3% | Small | 230.3% | 291.5% | 356.3% | Small | 73.0% | 95.1% | 134.3% |

Source: FactSet, Russell Investment Group, Standard & Poor's, J.P. Morgan Asset Management.

Growth vs. Value

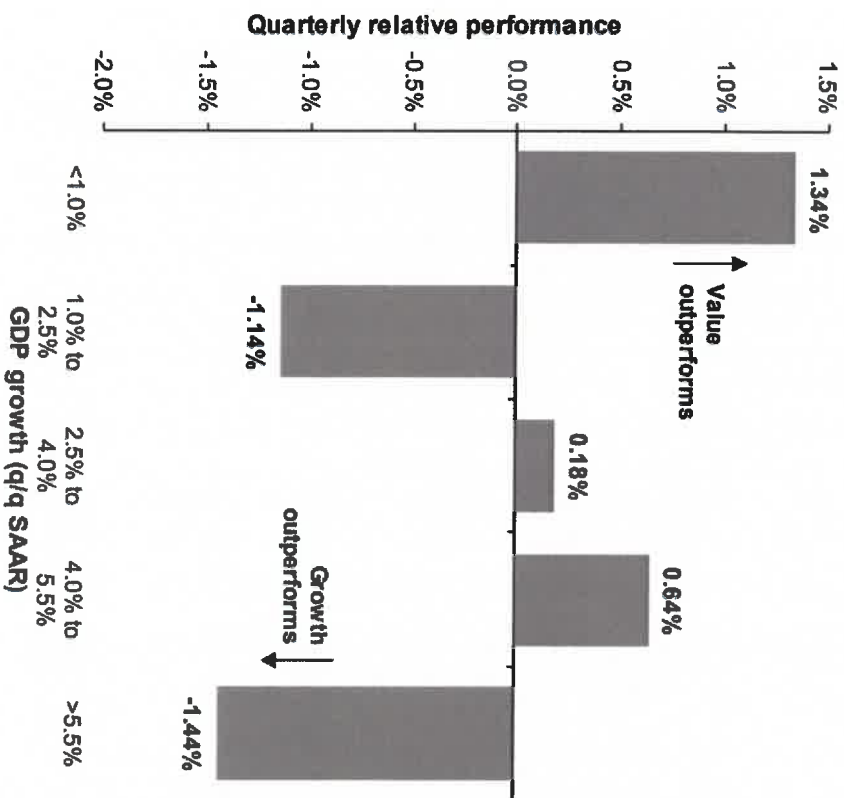
Value vs. Growth relative valuations

Relative fwd. P/E ratio of Value vs. Growth, z-score, Dec. 1997 - present



Value vs. Growth relative performance

Based on different growth environments, quarterly, Dec. 1978 - present



Source: BEA, FactSet, FTSE Russell, J.P. Morgan Asset Management.
 Growth is represented by the Russell 1000 Growth Index and Value is represented by the Russell 1000 Value Index.
 Guide to the Markets – U.S. Data are as of March 31, 2020.

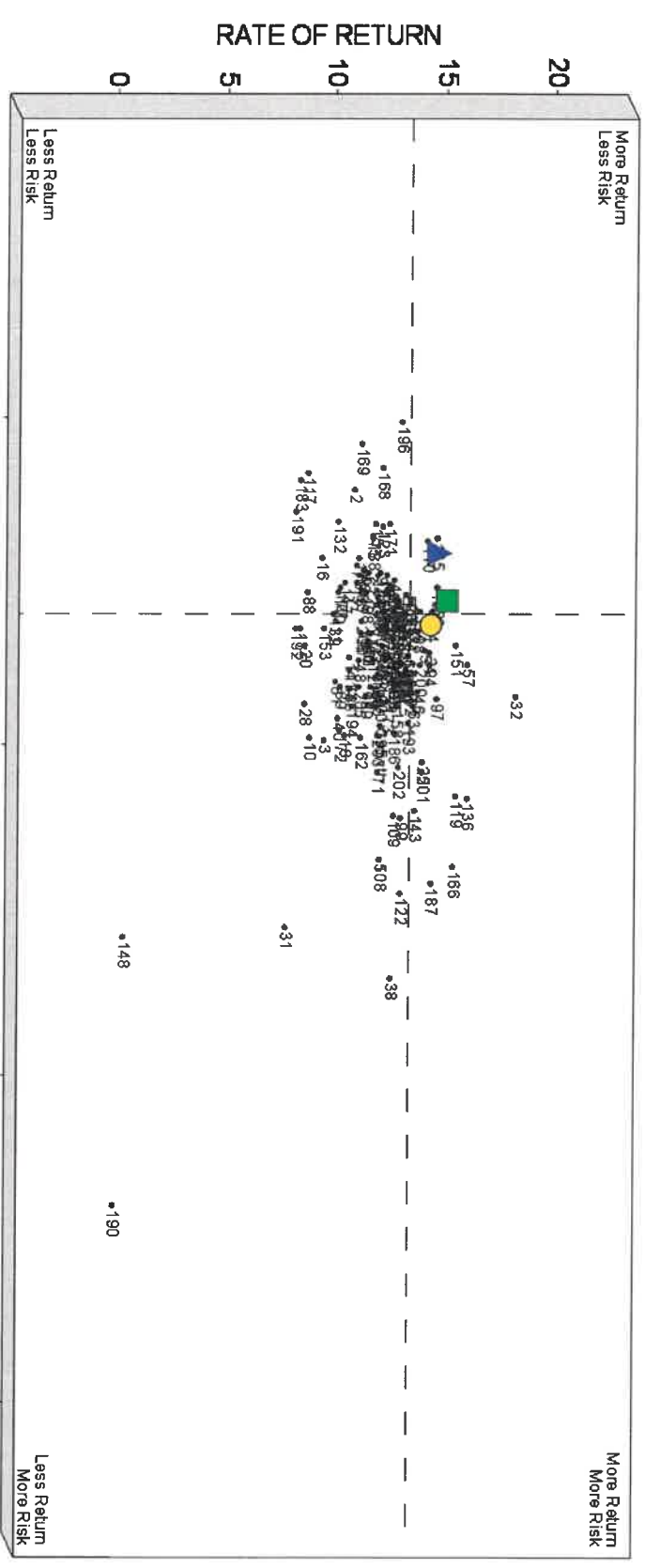
Search Criteria

- US Institutional Large Cap Growth: 295 Products
- GIPS Compliant: Yes
- Open for New Investment: Yes
- Minimum Firm Assets: \$500 MM
- Manager Tenure: 5 Years
- 10 Year Bating Average > 0.5
- 10 Year Beta < 1.0
- 10 Year Alpha > 1.0
- 10 Year Ranking < 50th percentile

| | Fund Inception | Manager Tenure | Investment Style | Product Assets | Mutual Fund Fee | Separate Account |
|--------------------|----------------|----------------|---------------------|----------------|-----------------|------------------|
| Loomis Sayles | 2006 | 2010 | Diversified Growth | \$47 billion | 0.56% | N/A |
| MFS | 1995 | 2002 | Diversified Growth | \$32 billion | 0.57% | N/A |
| Polen | 1979 | 2005 | Concentrated Growth | \$30 billion | 1.00% | TBD |
| Fidelity LCG Index | 2016 | N/A | Passive Index | \$4 billion | 0.04% | N/A |



UNIVERSE RISK REWARD PSN LARGE CAP GROWTH MARCH 31, 2010 TO MARCH 31, 2020



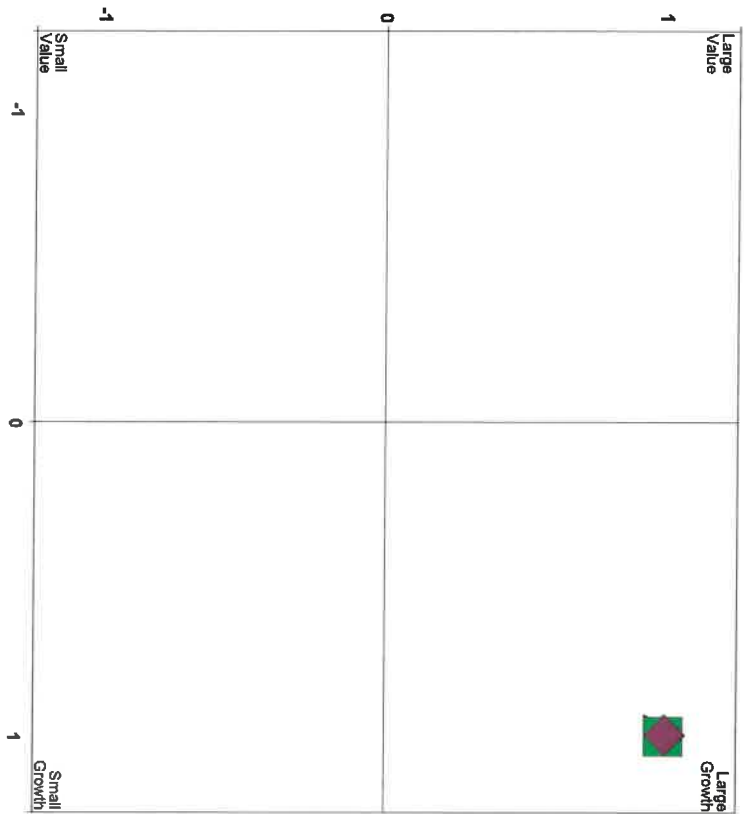
| | ROR | Std Dev Pop | Alpha | Beta | R-Squared |
|----------------------------------|-------|-------------|-------|------|-----------|
| Loomis Sayles Large Cap Growth | 14.28 | 13.88 | 2.43 | 0.89 | 0.91 |
| MFS Inv Mtgmt Growth Equity | 14.02 | 14.94 | 1.12 | 0.99 | 0.96 |
| Polian Capital Polian Focus Grow | 14.77 | 14.58 | 2.46 | 0.93 | 0.90 |
| Fidelity Large Cap Growth Idx | N/A | N/A | N/A | N/A | N/A |

RISK BENCHMARK USED FOR THIS ANALYSIS: RUSSELL 1000 GROWTH

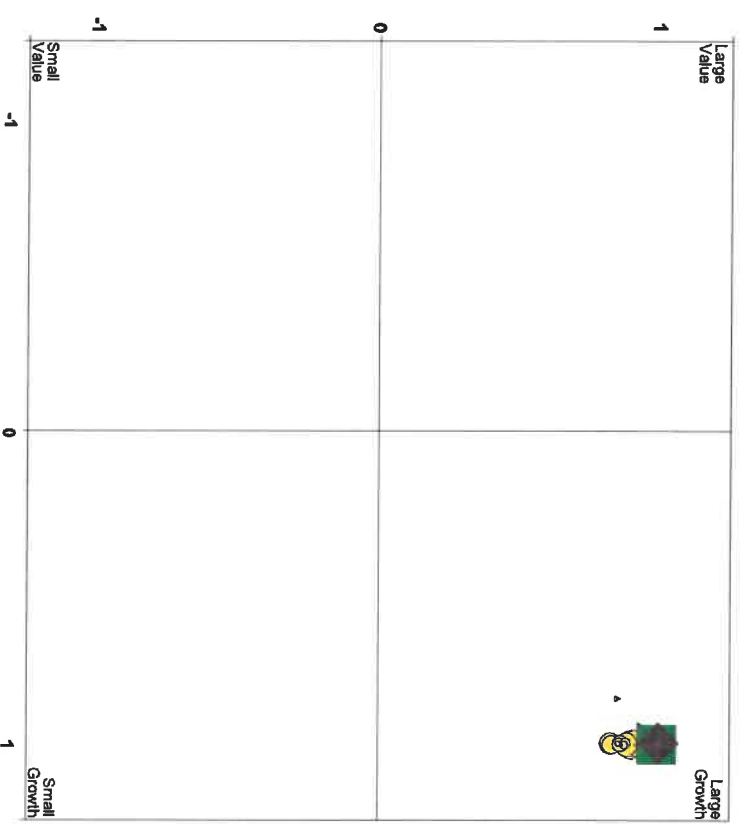


STYLE QUADRANTS PERIODS ENDING MARCH 31, 2020

STYLE SUMMARY

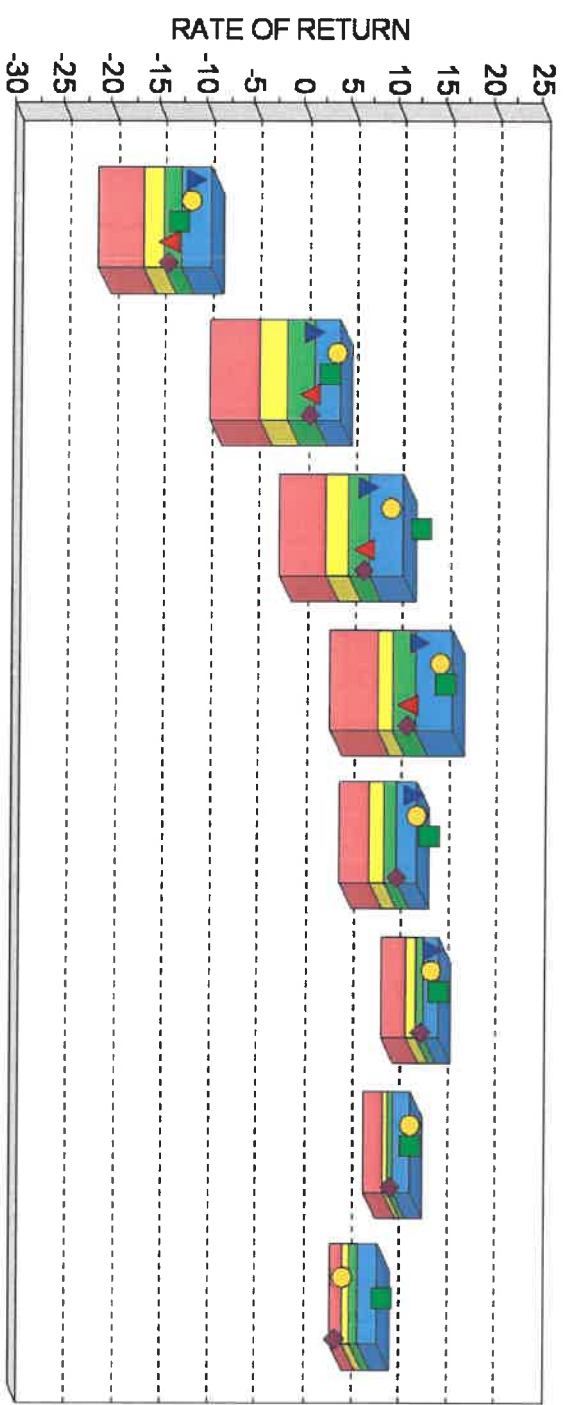


STYLE HISTORY



| | STYLE VARIANCE | SELECTION VARIANCE |
|--------------------------------|----------------|--------------------|
| Loomis Sayles Large Cap Growth | 0.86 | 0.14 |
| MFS Int Mgmt Growth Equity | 0.95 | 0.05 |
| Polen Capital Polen Focus Grow | 0.91 | 0.09 |
| Fidelity® Large Cap Growth Idx | N/A | N/A |
| Russell 1000 Growth | 1.00 | 0.00 |

QUARTILE RANKING BAR PSN LARGE CAP GROWTH PERIODS ENDING MARCH 31, 2020

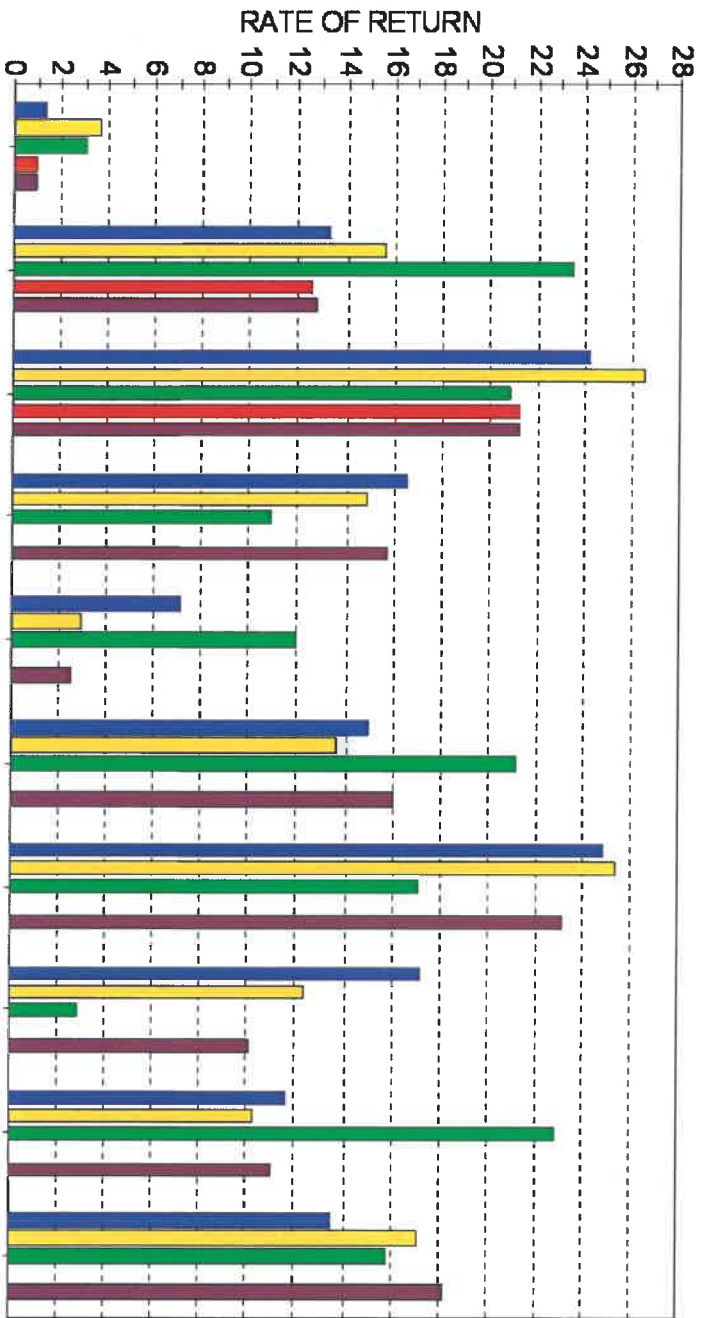


| | Latest Quarter | 1 Year | 2 Years | 3 Years | 5 Years | 10 Years | 15 Years | 20 Years |
|----------------------------------|----------------|------------|------------|------------|------------|------------|------------|------------|
| HIGH (0.05) | -9.56 | 4.01 | 10.78 | 16.06 | 12.55 | 14.77 | 11.85 | 8.47 |
| FIRST QUARTILE | -12.59 | 1.33 | 7.06 | 12.23 | 10.36 | 13.12 | 10.02 | 6.35 |
| MEDIAN | -14.54 | -1.51 | 5.17 | 9.85 | 9.06 | 12.42 | 9.54 | 5.57 |
| THIRD QUARTILE | -16.85 | -4.31 | 2.66 | 8.19 | 7.52 | 11.51 | 8.97 | 4.88 |
| LOW (0.95) | -21.44 | -9.47 | -2.33 | 3.15 | 4.36 | 8.71 | 7.00 | 3.52 |
| MEAN | -14.68 | -1.89 | 4.83 | 10.14 | 8.91 | 12.23 | 9.45 | 5.66 |
| VALID COUNT | 173 | 173 | 172 | 170 | 165 | 144 | 119 | 85 |
| | Latest Quarter | 1 Year | 2 Years | 3 Years | 5 Years | 10 Years | 15 Years | 20 Years |
| ▲ Loomis Sayles Large Cap Growth | VALUE RANK | VALUE RANK | VALUE RANK | VALUE RANK | VALUE RANK | VALUE RANK | VALUE RANK | VALUE RANK |
| ● MFS Inv't Mgmt Growth Equity | -11.23 12 | 1.38 24 | 7.17 24 | 12.57 21 | 12.23 4 | 14.28 4 | N/A N/A | N/A N/A |
| ● Polen Capital Polen Focus Grow | -11.76 17 | 3.72 2 | 9.52 8 | 14.91 7 | 12.41 1 | 14.02 7 | 11.82 2 | 4.81 78 |
| ▲ Fidelity Large Cap Growth Idx | -13.03 31 | 3.05 9 | 12.79 1 | 15.44 5 | 13.82 1 | 14.77 1 | 11.84 1 | 9.09 1 |
| ◆ Russell 1000 Growth | -14.05 41 | 0.95 28 | 6.62 31 | 11.29 33 | N/A N/A | N/A N/A | N/A N/A | N/A N/A |
| | -14.10 43 | 0.91 28 | 6.67 28 | 11.32 32 | 10.36 24 | 12.97 29 | 9.69 43 | 4.02 95 |

Annual Performance

PERFORMANCE BAR

PERIODS ENDING MARCH 31, 2020

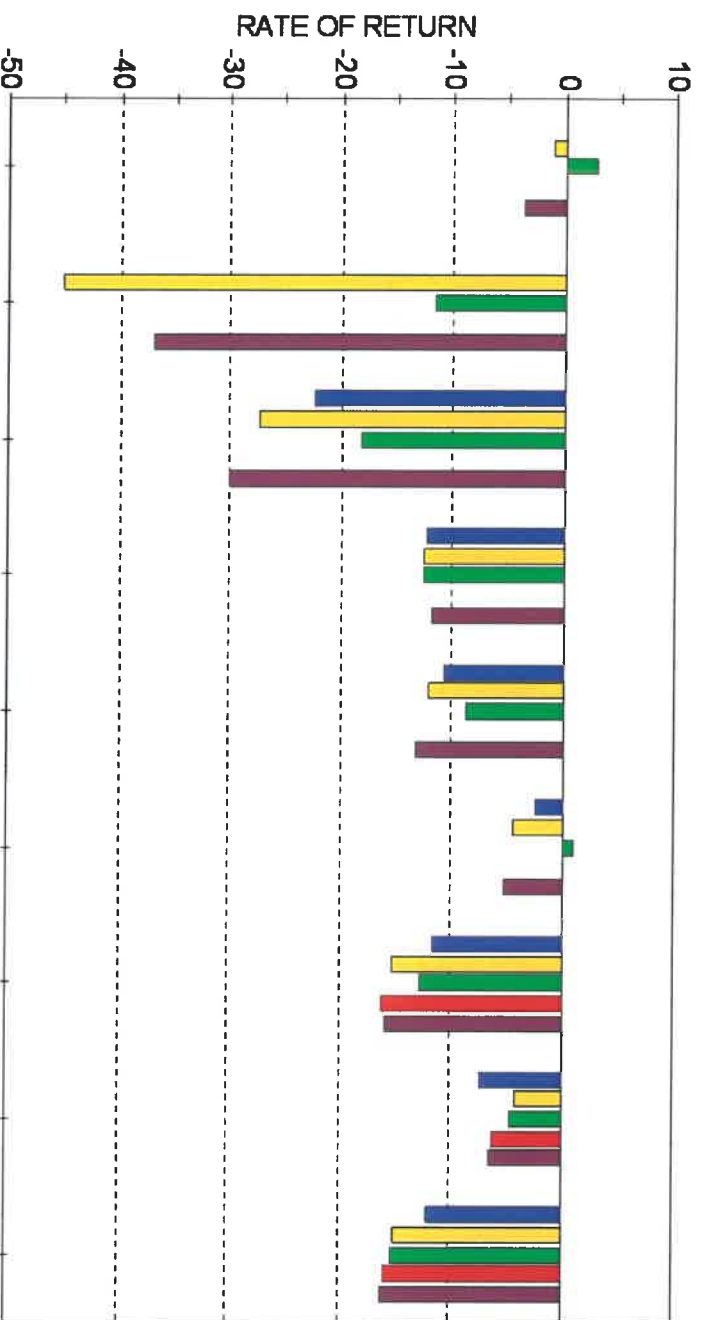


| | 3/2019-3/2020 | 3/2018-3/2019 | 3/2017-3/2018 | 3/2016-3/2017 | 3/2015-3/2016 | 3/2014-3/2015 | 3/2013-3/2014 | 3/2012-3/2013 | 3/2011-3/2012 | 3/2010-3/2011 |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Loomis Sayles Large Cap Growth | 1.39 | 13.28 | 24.19 | 16.54 | 7.11 | 14.97 | 24.89 | 17.21 | 11.67 | 18.26 |
| MFS Inv't Mgmt Growth Equity | 3.72 | 15.64 | 26.51 | 14.91 | 2.95 | 13.67 | 25.43 | 12.41 | 10.29 | 17.06 |
| Polen Capital Polen Focus Grow | 3.05 | 23.45 | 20.91 | 10.91 | 11.99 | 21.17 | 17.13 | 2.82 | 22.81 | 15.82 |
| Fidelity Large Cap Growth Idx | 0.95 | 12.60 | 21.26 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Russell 1000 Growth | 0.91 | 12.75 | 21.25 | 15.76 | 2.52 | 18.09 | 23.22 | 10.09 | 11.02 | 18.26 |

Stress Test

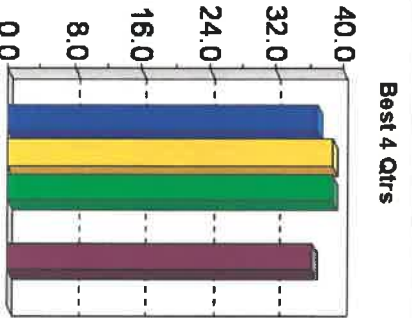
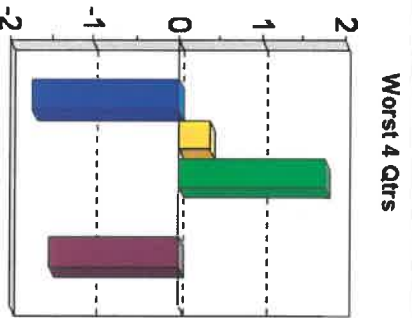
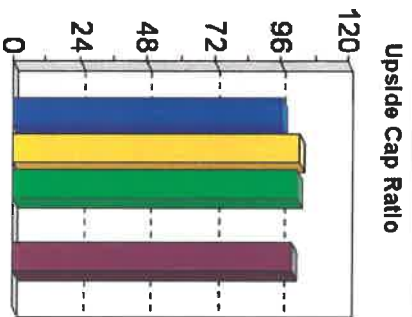
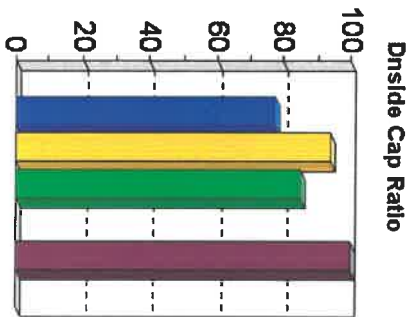
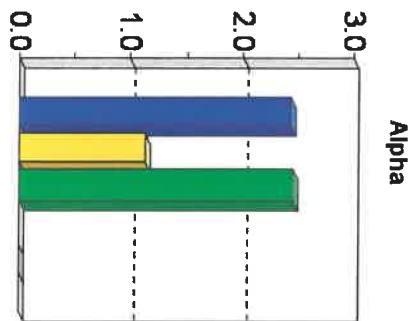
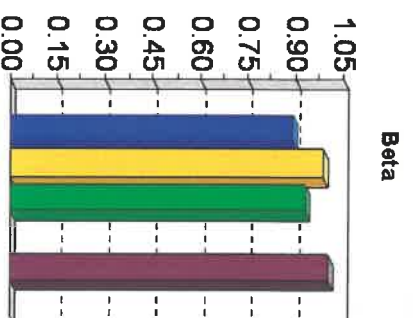
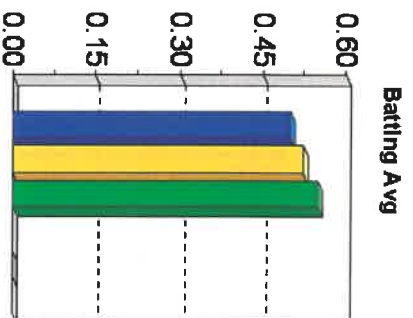
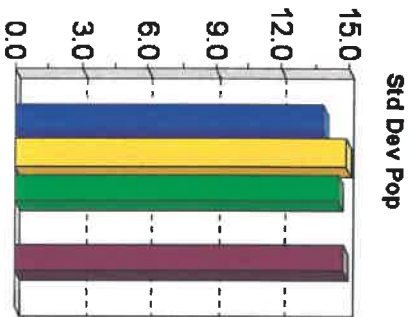
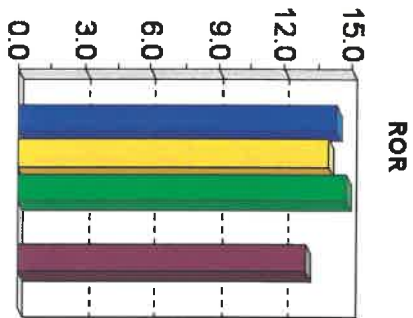
PERFORMANCE BAR

PERIODS ENDING MARCH 31, 2020



| | 6/1999-9/1999 | 3/2000-9/2001 | 9/2007-3/2009 | 3/2010-6/2010 | 6/2011-9/2011 | 6/2015-9/2015 | 9/2018-12/2018 | 4/2019-5/2019 | 1/2020-3/2020 |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Loomis Sayles Large Cap Growth | N/A | N/A | -22.41 | -12.35 | -10.68 | -2.36 | -11.58 | -7.22 | -11.96 |
| MFS Inv't Mgmt Growth Equity | -1.04 | -45.14 | -27.28 | -12.46 | -12.01 | -4.41 | -15.22 | -4.20 | -14.90 |
| Polen Capital Polen Focus Grow | 2.77 | -11.56 | -18.11 | -12.43 | -8.56 | 0.97 | -12.59 | -4.68 | -15.25 |
| Fidelity Large Cap Growth Idx | N/A | N/A | N/A | N/A | N/A | N/A | -15.97 | -6.29 | -15.92 |
| Russell 1000 Growth | -3.66 | -36.96 | -29.89 | -11.75 | -13.14 | -5.29 | -15.89 | -6.32 | -15.98 |

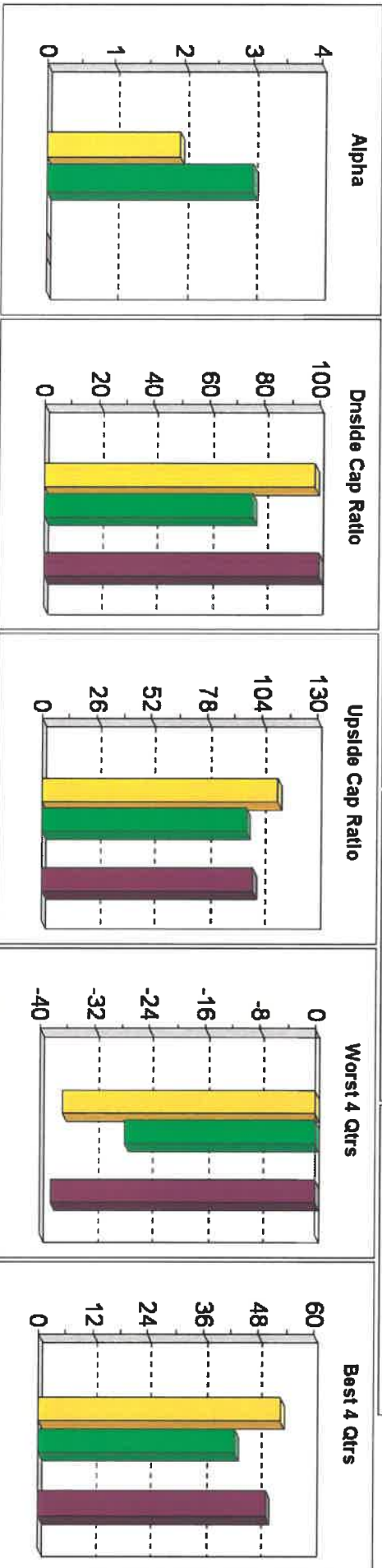
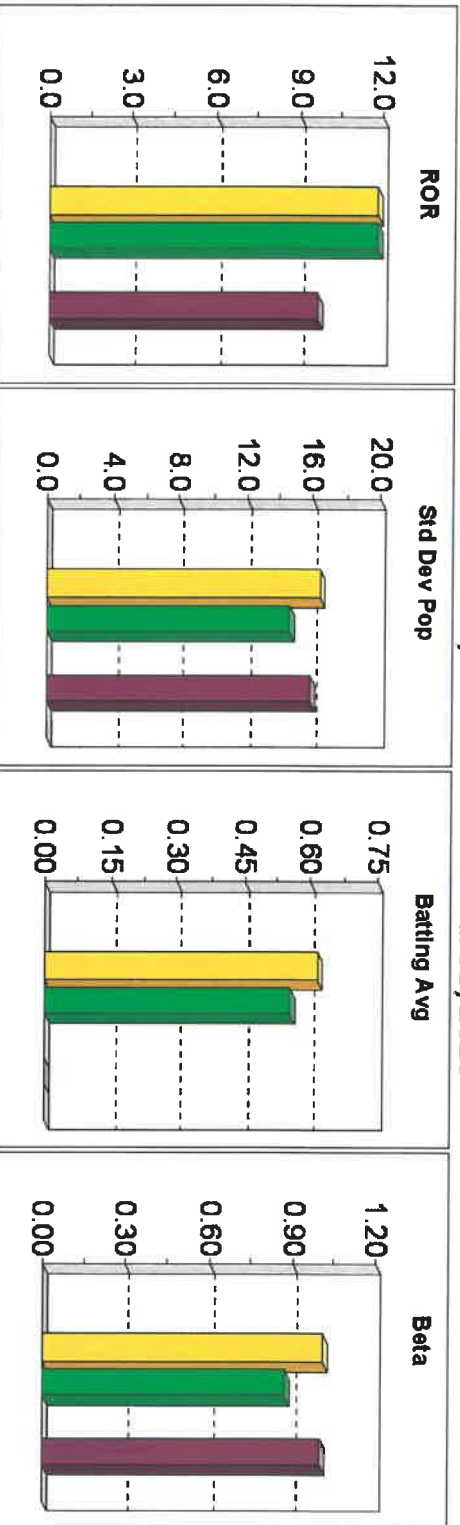
**MULTIPLE STATISTIC BAR
MARCH 31, 2010 TO MARCH 31, 2020**



| | ROR | Std Dev Pop | Batting Avg | Beta | Alpha | Dnside Cap Ratio | Upside Cap Ratio | Worst 4 Qtrs | Best 4 Qtrs |
|--------------------------------|-------|-------------|-------------|------|-------|------------------|------------------|--------------|-------------|
| Loomis Sayles Large Cap Growth | 14.28 | 13.88 | 0.50 | 0.89 | 2.43 | 77.78 | 96.16 | -1.72 | 36.84 |
| MFS Int Mgmt Growth Equity | 14.02 | 14.94 | 0.53 | 0.99 | 2.46 | 94.09 | 102.51 | -1.75 | 38.70 |
| Polen Capital Polen Focus Grow | 14.77 | 14.58 | 0.55 | 0.93 | 2.48 | 84.63 | 101.81 | 1.75 | 38.79 |
| Fidelity Large Cap Growth Ix | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Russell 1000 Growth | 12.97 | 14.80 | 0.00 | 1.00 | 0.00 | 100.00 | 100.00 | -1.51 | 36.39 |

RISK BENCHMARK USED FOR THIS ANALYSIS: RUSSELL 1000 GROWTH

**MULTIPLE STATISTIC BAR
MARCH 31, 2005 TO MARCH 31, 2020**

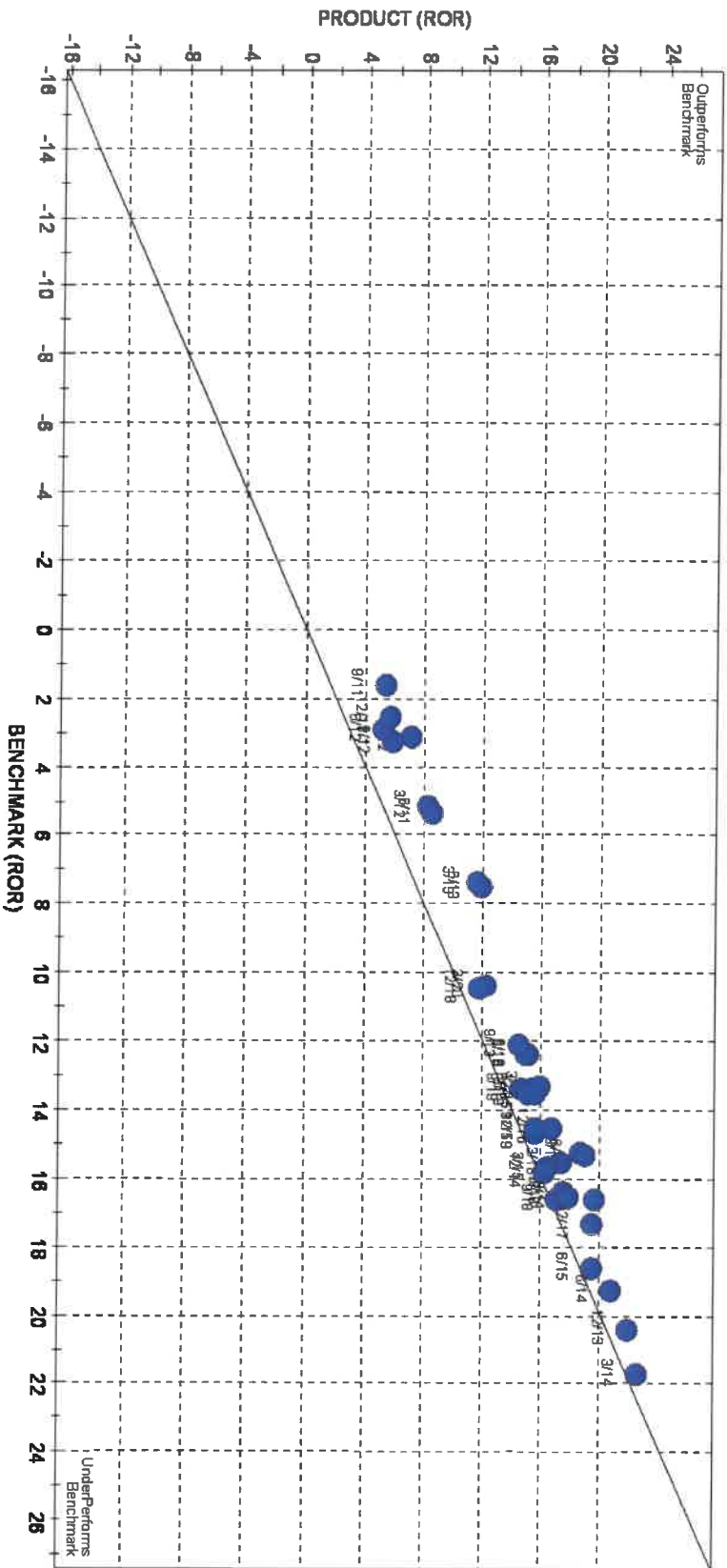


| | ROR | Std Dev Pop | Batting Avg | Beta | Alpha | Dnside Cap Ratio | Upside Cap Ratio | Worst 4 Qtrs | Best 4 Qtrs |
|--------------------------------|-------|-------------|-------------|------|-------|------------------|------------------|--------------|-------------|
| Loomis Sayles Large Cap Growth | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| MFS Int Mgmt Growth Equity | 11.82 | 16.38 | 0.62 | 1.01 | 1.97 | 98.15 | 110.98 | -36.78 | 52.97 |
| Polen Capital Polen Focus Grow | 11.84 | 14.85 | 0.55 | 0.87 | 3.01 | 75.79 | 97.08 | -27.81 | 42.81 |
| Fidelity Large Cap Growth Ix | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Russell 1000 Growth | 9.89 | 15.78 | 0.00 | 1.00 | 0.00 | 100.00 | 100.00 | -38.44 | 49.75 |

RISK BENCHMARK USED FOR THIS ANALYSIS: RUSSELL 1000 GROWTH

**LOOMIS SAYLES
LARGE CAP GROWTH
VALUE ADDED**

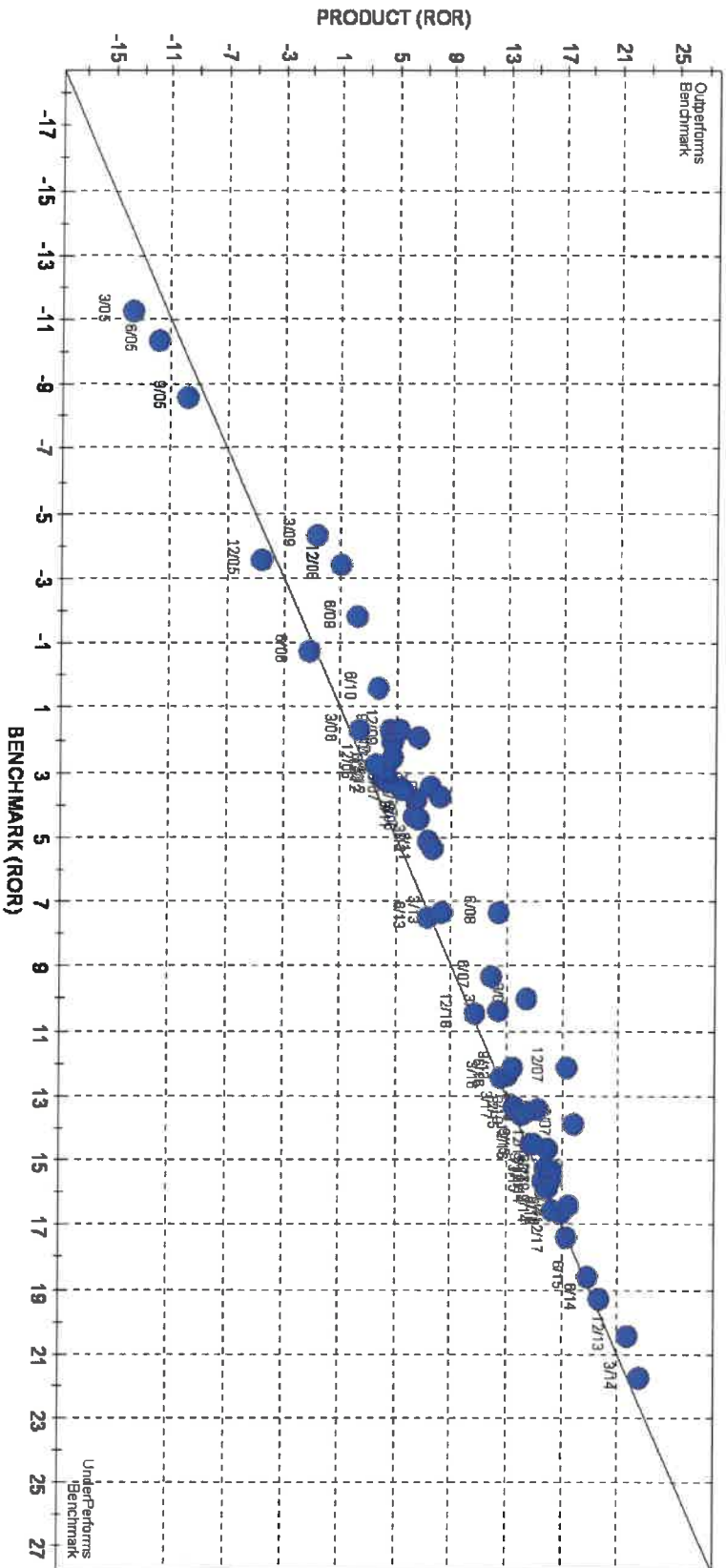
MARCH 31, 2000 TO MARCH 31, 2020



MFS INVT MGMT GROWTH EQUITY VALUE ADDED



MARCH 31, 2000 TO MARCH 31, 2020

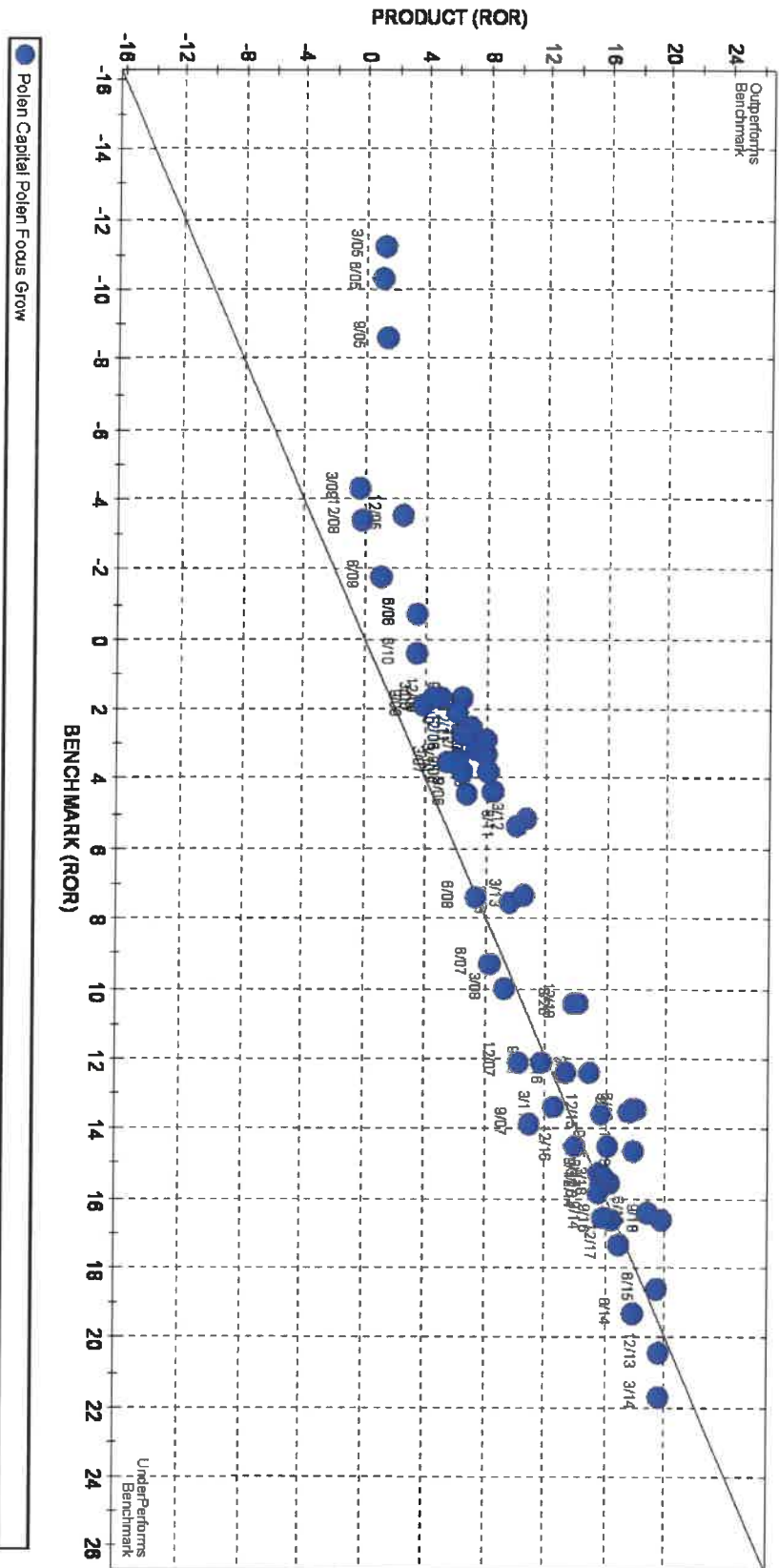


● MFS Invt Mgmt Growth Equity

RISK BENCHMARK USED FOR THIS ANALYSIS: RUSSELL 1000 GROWTH

**POLEN CAPITAL
POLEN FOCUS GROW
VALUE ADDED**

MARCH 31, 2000 TO MARCH 31, 2020



RISK BENCHMARK USED FOR THIS ANALYSIS: RUSSELL 1000 GROWTH



LOOMIS, SAYLES & COMPANY, L.P.

LARGE CAP GROWTH

Address: One Financial Center, 3rd Floor
Boston, MA, 02111

Firm Type: Independent Reg. Inv. Advisor

Legal Structure: Partnership

Year Founded: 1828

Firm GIPS Compliant: Yes

Firm/Product Assets: \$271,886.72 Million / \$ 47,268.35 Million

Firm/Product Accounts: 2296 / 178

Parent Company: NetScout Global Asset Management, L.P.

Investment Style: Growth

Market Capitalization: Large Capitalization (10-50 \$Billion)

Decision Making: Bottom-Up Stock Selection

Portfolio Manager: Mr. Aziz Hamzaogullari

Manager Tenure: 6/2010

Mgr. Experience: 1983

Product Contact: Ms. Laura Becker

Phone: 617-535-5387

| Performance Incentive Fee: | Yes | Account Size | Annual Fees |
|-------------------------------|--------------|---------------|---------------|
| Individual Min. Annual Fee: | \$115,000 | US\$ 1 Mill | US\$ 1 Mill |
| Individual Min. Account Size: | \$20,000,000 | US\$ 5 Mill | US\$ 10 Mill |
| Offered As Mutual Funds: | Yes | US\$ 25 Mill | US\$ 50 Mill |
| Offered As Commingled Funds: | Yes | US\$ 100 Mill | US\$ 200 Mill |
| Commingled Min. Annual Fee: | - | US\$ 100 Mill | US\$ 200 Mill |
| Commingled Min. Account Size: | \$5,000,000 | US\$ 200 Mill | |

| PERIOD | ROA | STDEV | ALPHA | BETA | RISQR | TROWERR | SHARPE | INFORMATION |
|-----------|-------|-------|-------|------|-------|---------|--------|-------------|
| 3 Yrs | 12.57 | 15.70 | 2.39 | 0.95 | 0.94 | 4.73 | 0.69 | 0.26 |
| 4 Yrs | 13.95 | 14.62 | 2.41 | 0.88 | 0.88 | 5.44 | 0.83 | 0.21 |
| 5 Yrs | 12.23 | 13.67 | 2.64 | 0.87 | 0.88 | 5.20 | 0.80 | 0.36 |
| 6 Yrs | 12.88 | 12.74 | 2.53 | 0.87 | 0.88 | 4.79 | 0.92 | 0.29 |
| 7 Yrs | 14.35 | 12.49 | 2.52 | 0.89 | 0.89 | 4.50 | 1.06 | 0.32 |
| 8 Yrs | 14.70 | 12.25 | 3.18 | 0.89 | 0.89 | 4.48 | 1.14 | 0.46 |
| 9 Yrs | 14.38 | 12.82 | 3.24 | 0.87 | 0.90 | 4.51 | 1.08 | 0.44 |
| 10 Yrs | 14.28 | 13.88 | 2.43 | 0.91 | 0.91 | 4.54 | 0.99 | 0.29 |
| Inception | 12.31 | 14.96 | 3.32 | 0.89 | 0.89 | 5.36 | 0.75 | 0.44 |

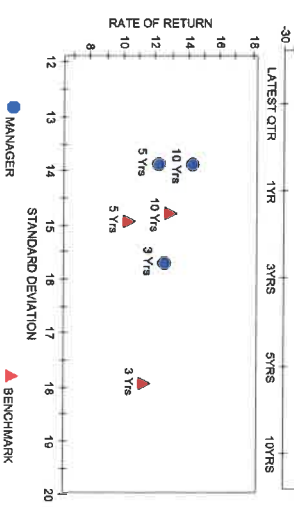
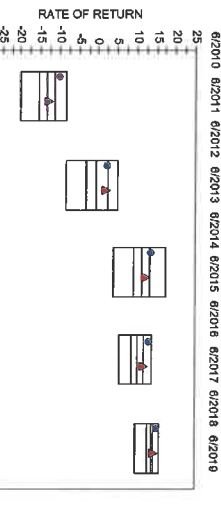
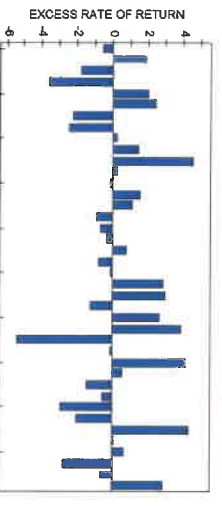
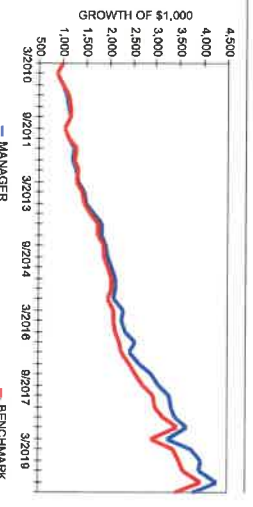
GICS Sector Breakdown: 3/2020

| Sector | % | Industry | % |
|------------------------|-------|--------------------------|-----------|
| Materials | 0.66 | Dividend Yield | 1.18 |
| Energy | 7.98 | 5 Year EPS Growth | 24.50 |
| Consumer Staples | 17.68 | P/E (prior next 12 mths) | 7.03 |
| Consumer Discretionary | 6.08 | Return on Equity | 28.96 |
| Industrials | 18.52 | Market Capitalization: | 31,470.28 |
| Health Care | 32.24 | Wght Avg (\$ MM) | 77242.85 |
| Information Technology | 11.18 | Median (\$ MM) | 96.50 |
| Communication Services | 3.87 | Debt/Equity | 68.22 |
| Financials | - | Active Share | 38.0 |
| Real Estate | 0.76 | Total # of Holdings | - |
| Cash | - | % of Top Ten Holdings | - |
| Other | - | Ann Fiscal YTD Turnover | - |

Ten Largest Holdings: 12/2018

| Company Name | % | Firm Representative Client List |
|----------------------------|--------|---------------------------------|
| VISA INC. CLASS A | 8.8900 | Confidential |
| AMAZON.COM, INC. | 6.1000 | Confidential |
| ALIBABA GROUP HOLDING LTD. | 5.9700 | Confidential |
| FACEBOOK INC. CLASS A | 5.6400 | Confidential |
| AUTODESK, INC. | 4.4200 | Confidential |
| ORACLE CORPORATION | 4.0800 | Confidential |
| MICROSOFT CORPORATION | 4.0800 | Confidential |
| MONSTER BEVERAGE | 3.4100 | Confidential |
| QUAL COMM INCORPORATED | 3.0400 | Confidential |
| ROCHE HOLDING LTD. | 2.8800 | Confidential |

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| PERIOD | MANAGER | BENCHMARK | EXCESS | MANAGER | BENCHMARK | PREMIUM |
|-----------|---------|-----------|--------|---------|-----------|---------|
| 1 Yr | 1.39 | 7.47 | 0.91 | \$1,014 | \$1,008 | \$6 |
| 2 Yrs | 7.47 | 6.87 | 0.50 | \$1,149 | \$1,138 | \$11 |
| 3 Yrs | 12.57 | 11.32 | 1.24 | \$1,426 | \$1,380 | \$47 |
| 4 Yrs | 13.95 | 12.41 | 1.13 | \$1,662 | \$1,597 | \$65 |
| 5 Yrs | 12.23 | 10.38 | 1.97 | \$1,780 | \$1,637 | \$143 |
| 6 Yrs | 12.88 | 11.30 | 1.35 | \$2,047 | \$1,901 | \$146 |
| 7 Yrs | 14.35 | 12.83 | 1.42 | \$2,556 | \$2,342 | \$215 |
| 8 Yrs | 14.70 | 12.57 | 2.14 | \$2,966 | \$2,576 | \$419 |
| 9 Yrs | 14.38 | 12.39 | 1.97 | \$3,346 | \$2,862 | \$484 |
| 10 Yrs | 14.28 | 12.67 | 1.91 | \$3,799 | \$3,385 | \$414 |
| Inception | 12.31 | 9.95 | 2.36 | \$4,933 | \$3,683 | \$1,250 |

PERIODS ENDING 12/31/2019 SINCE INCEPTION JUNE 30, 2006
BENCHMARK PLUS 1000 CENTS ANNUAL INTEREST FROM LARGE CAP GROWTH
ALL PERFORMANCE USING GROSS OF FEES
SEE SECOND PAGE FOR DISCLAIMER



MFS INVESTMENT MANAGEMENT MFS GROWTH EQUITY

Address: 111 Huntington Avenue
Boston, MA 02199
Firm Type: Insurance Co. Controlled Corporation
Legal Structure: 1924
Year Founded: 1924
Firm GIPS Compliant: Yes
Firm/Product Assets: \$ 435,346.70 Million / \$ 32,132.00 Million
Firm/Product Accounts: \$45 / 21
Parent Company: Sun Life Financial, Inc.
Investment Style: Growth
Market Capitalization: Large Capitalization (10-50 billion)
Decision Making: Fundamental Analysis
Portfolio Manager: Mr. Eric Fleishman
Manager Tenure: 4/2002
Mgr. Experience: 1998
Product Contact: Mr. Subhan Achsean
Phone: 617-464-6972

| PERIOD | ROR | STDEV | ALPHA | BETA | RSQR | TICKERR | SHARE | INFORMATO |
|-----------|-------|-------|-------|------|------|---------|-------|-----------|
| 3 Yrs | 14.91 | 17.28 | 3.73 | 0.95 | 0.98 | 3.39 | 0.76 | 1.06 |
| 4 Yrs | 14.91 | 15.94 | 2.77 | 0.95 | 0.95 | 3.40 | 0.87 | 0.73 |
| 5 Yrs | 12.41 | 14.78 | 2.23 | 0.96 | 0.95 | 3.28 | 0.76 | 0.63 |
| 6 Yrs | 12.82 | 13.53 | 1.63 | 0.98 | 0.95 | 3.17 | 0.88 | 0.42 |
| 7 Yrs | 14.37 | 13.25 | 1.59 | 0.98 | 0.94 | 3.15 | 1.02 | 0.46 |
| 8 Yrs | 14.12 | 13.12 | 1.59 | 0.99 | 0.95 | 3.07 | 1.02 | 0.51 |
| 9 Yrs | 13.89 | 14.16 | 1.43 | 0.98 | 0.95 | 3.04 | 1.02 | 0.43 |
| 10 Yrs | 14.02 | 14.84 | 1.12 | 0.99 | 0.96 | 2.95 | 0.60 | 0.36 |
| Inception | 8.10 | 22.37 | 0.27 | 1.14 | 0.91 | 7.28 | 0.31 | 0.09 |

| PERIOD | ROR | STDEV | ALPHA | BETA | RSQR | TICKERR | SHARE | INFORMATO |
|-----------|-------|-------|-------|------|------|---------|-------|-----------|
| 3 Yrs | 14.91 | 17.28 | 3.73 | 0.95 | 0.98 | 3.39 | 0.76 | 1.06 |
| 4 Yrs | 14.91 | 15.94 | 2.77 | 0.95 | 0.95 | 3.40 | 0.87 | 0.73 |
| 5 Yrs | 12.41 | 14.78 | 2.23 | 0.96 | 0.95 | 3.28 | 0.76 | 0.63 |
| 6 Yrs | 12.82 | 13.53 | 1.63 | 0.98 | 0.95 | 3.17 | 0.88 | 0.42 |
| 7 Yrs | 14.37 | 13.25 | 1.59 | 0.98 | 0.94 | 3.15 | 1.02 | 0.46 |
| 8 Yrs | 14.12 | 13.12 | 1.59 | 0.99 | 0.95 | 3.07 | 1.02 | 0.51 |
| 9 Yrs | 13.89 | 14.16 | 1.43 | 0.98 | 0.95 | 3.04 | 1.02 | 0.43 |
| 10 Yrs | 14.02 | 14.84 | 1.12 | 0.99 | 0.96 | 2.95 | 0.60 | 0.36 |
| Inception | 8.10 | 22.37 | 0.27 | 1.14 | 0.91 | 7.28 | 0.31 | 0.09 |

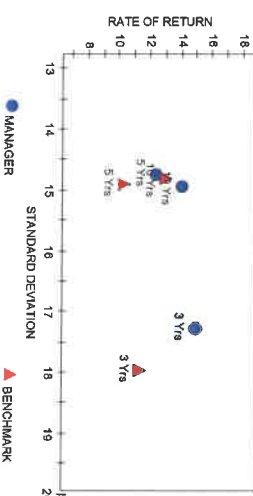
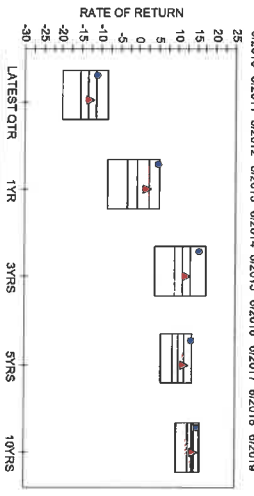
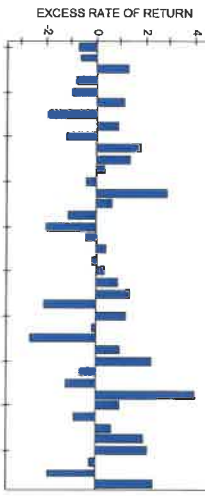
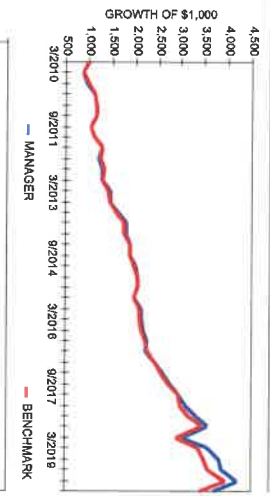
GICS Sector Breakdown: 3/2020

| Material | % | Early Characteristics: 3/2020 |
|------------------------|-------|-------------------------------|
| Energy | 2.47 | Dividend Yield |
| Consumer Staples | 3.23 | 5 Year EPS Growth |
| Consumer Discretionary | 11.98 | P/E (book) |
| Industrials | 6.48 | P/E (proj next 12 mths) |
| Utilities | - | Return on Equity |
| Health Care | 13.51 | Market Capitalization |
| Information Technology | 38.88 | Weight Avg (\$ MM) |
| Communication Services | 14.48 | Median (\$ MM) |
| Financials | 4.03 | Div/Equity |
| Real Estate | 1.45 | Active Share |
| Cash | 3.53 | Total % of Holdings |
| Other | - | % of Top Ten Holdings |
| | - | Ann Fiscal YTD Turnover |
| | - | SEC-30-Day Yield |

Ten Largest Holdings: 3/2020

| Company | % | Firm Representative Client List |
|------------------------------|--------|---------------------------------|
| MICROSOFT CORP | 6.5900 | Confidential |
| AMAZON.COM INC | 4.5100 | Confidential |
| ADOBE INC | 4.4400 | Confidential |
| VISA INC | 3.6800 | Confidential |
| ALPHABET INC CLASS A | 3.7900 | Confidential |
| MASTERCARD INC | 3.5900 | Confidential |
| CASH | 2.4700 | Confidential |
| THERMO FISHER SCIENTIFIC INC | 2.3200 | Confidential |
| FISERV INC | 2.1600 | Confidential |
| NETELIX INC | 2.1600 | Confidential |

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| PERIOD | MANAGER | BENCHMARK | EXCESS | MANAGER | BENCHMARK | PREMIUM |
|-----------|---------|-----------|--------|---------|-----------|---------|
| 1 Yr | 3.72 | 0.51 | 2.81 | \$1,092 | \$1,039 | \$29 |
| 2 Yrs | 6.52 | 0.87 | 2.85 | \$1,198 | \$1,138 | \$62 |
| 3 Yrs | 14.91 | 11.32 | 3.59 | \$1,517 | \$1,360 | \$138 |
| 4 Yrs | 14.91 | 12.41 | 2.90 | \$1,724 | \$1,597 | \$147 |
| 5 Yrs | 12.41 | 10.36 | 2.05 | \$1,795 | \$1,637 | \$158 |
| 6 Yrs | 12.82 | 11.30 | 1.33 | \$2,041 | \$1,901 | \$140 |
| 7 Yrs | 14.37 | 12.93 | 1.44 | \$2,558 | \$2,342 | \$216 |
| 8 Yrs | 14.12 | 12.57 | 1.55 | \$2,877 | \$2,576 | \$298 |
| 9 Yrs | 13.89 | 12.39 | 1.29 | \$3,173 | \$2,862 | \$311 |
| 10 Yrs | 14.02 | 12.97 | 1.05 | \$3,714 | \$3,385 | \$329 |
| Inception | 0.10 | 8.46 | 0.84 | \$8,451 | \$7,317 | \$1,134 |

PERIODS ENDING: MARCH 31, 2020, SINCE INCEPTION: SEPTEMBER 30, 1995
BENCHMARK: MFS GROWTH EQUITY
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BCA

MFS INVESTMENT MANAGEMENT
MFS GROWTH EQUITY

reaches its target price. However, the portfolio manager must thoroughly review the fundamentals to justify this decision. Once a sell decision is made, positions are sold as rapidly and in as orderly a fashion as possible while integrating the proceeds into another attractive investment.

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Offered WRAP/TAMP Program:

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POLEN CAPITAL MANAGEMENT, LLC POLEN FOCUS GROWTH

Address: 1825 NW Corporate Blvd, Suite 300
Boca Raton, FL 33431
Legal Structure: Independent Reg. Inv. Advisor
Year Founded: 1979
Firm GIPS Complaint: Yes
Firm/Product Assets: \$ 32,006,482 Million / \$ 29,849,87 Million
Firm/Product Accounts: 2853 / 1642
Parent Company: None
Investment Style: Growth
Market Capitalization: Large Capitalization (10-50 Billion)
Decision Making: Bottom-Up Stock Selection
Portfolio Manager: Mr. Daniel Davidowitz
Manager Tenure: 11/2005
Mgr. Experience: 1989
Product Contact: Marketing Team
Phone: 561-241-2425

| Account Size | Annual Fees |
|---------------|-------------|
| US\$ 1 Mill | - |
| US\$ 5 Mill | - |
| US\$ 10 Mill | - |
| US\$ 25 Mill | - |
| US\$ 50 Mill | - |
| US\$ 100 Mill | - |
| US\$ 200 Mill | - |

Performance Incentive Fee: No
Individual Min Annual Fee: \$1,000,000
Offered As Mutual Funds: Yes
Offered As Commingled Funds: No
Commingled Min Annual Fee: -
Commingled Min Account Size: -

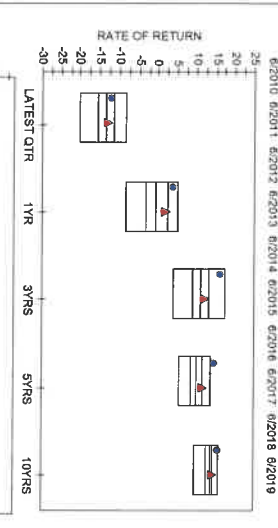
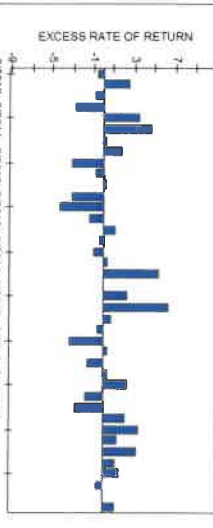
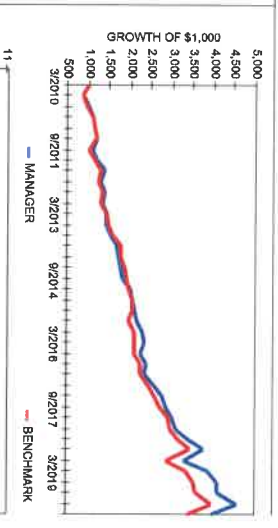
| PERIOD | ROE | STDEV | ALPHA | BETA | RISOR | TICKER | SHARE | INFORMATION |
|-----------|-------|-------|-------|------|-------|--------|-------|-------------|
| 3 Yrs | 15.64 | 17.09 | 4.37 | 0.93 | 0.99 | 3.99 | 0.80 | 1.15 |
| 4 Yrs | 14.28 | 15.53 | 2.29 | 0.94 | 0.94 | 3.83 | 0.83 | 0.49 |
| 5 Yrs | 13.82 | 14.78 | 4.03 | 0.91 | 0.91 | 4.36 | 0.90 | 0.79 |
| 6 Yrs | 15.02 | 13.24 | 4.32 | 0.91 | 0.89 | 4.48 | 1.06 | 0.83 |
| 7 Yrs | 15.32 | 12.91 | 3.17 | 0.92 | 0.88 | 4.84 | 1.12 | 0.52 |
| 8 Yrs | 13.87 | 12.82 | 1.01 | 0.92 | 0.87 | 4.70 | 1.01 | 0.24 |
| 9 Yrs | 14.86 | 13.85 | 3.11 | 0.91 | 0.89 | 4.78 | 1.05 | 0.47 |
| 10 Yrs | 14.77 | 14.59 | 2.48 | 0.93 | 0.90 | 4.72 | 0.97 | 0.38 |
| Inception | 14.43 | 14.78 | 5.74 | 0.74 | 0.81 | 7.98 | 0.78 | 0.54 |

GICS Sector Breakdown: 3/2020

| % | Equity Characteristics: 3/2020 |
|------------------------|--------------------------------|
| Materials | - Beta(5 Year) |
| Energy | - Dividend Yield |
| Consumer Staples | - 5 Year EPS Growth |
| Consumer Discretionary | - P/E (Trq next 12 mths) |
| Industrials | - Return on Equity |
| Utilities | - Market Capitalization: |
| Health Care | 5125 Wght Avg (\$ MM) |
| Information Technology | 18.77 Median (\$ MM) |
| Communication Services | 2.73 Debt/Equity |
| Financials | - Active Share |
| Real Estate | - Total # of Holdings |
| Cash | 4.40 % of Top Ten Holdings |
| Other | 22.0 Ann Fiscal YTD Turnover |

Top Largest Holdings: 3/2020

| Ticker | % | Firm Representative Client List |
|---------------------------|---------|---------------------------------|
| MICROSOFT CORP | 10.8200 | Confidential |
| FACEBOOK INC | 7.5900 | Confidential |
| ALPHABET INC CAP STR CL C | 6.9800 | Confidential |
| ADOBE SYS INC | 6.8100 | Confidential |
| ASBOTT LABS | 5.8700 | Confidential |
| VISA INC | 5.5900 | Confidential |
| MASTERCARD INCORPORATED | 4.9800 | Confidential |
| ZOETIS INC | 4.8800 | Confidential |
| US DOLLARS | 4.4200 | Confidential |
| ACCENTURE PLC IRELAND SHS | 4.3500 | Confidential |



RATE OF RETURN

| PERIOD | MANAGER | BENCHMARK | EXCESS | MANAGER | BENCHMARK | PREMIUM |
|-----------|---------|-----------|--------|----------|-----------|----------|
| 1 Yr | 3.06 | 0.81 | 2.14 | \$1,031 | \$1,009 | \$21 |
| 2 Yrs | 12.79 | 6.87 | 5.12 | \$1,272 | \$1,138 | \$134 |
| 3 Yrs | 15.44 | 11.32 | 4.11 | \$1,558 | \$1,380 | \$178 |
| 4 Yrs | 14.29 | 12.41 | 1.87 | \$1,708 | \$1,597 | \$109 |
| 5 Yrs | 13.82 | 10.36 | 3.46 | \$1,911 | \$1,697 | \$213 |
| 6 Yrs | 15.02 | 11.30 | 3.72 | \$2,315 | \$1,901 | \$414 |
| 7 Yrs | 15.32 | 12.83 | 2.39 | \$2,712 | \$2,342 | \$370 |
| 8 Yrs | 13.87 | 12.57 | 1.11 | \$2,798 | \$2,578 | \$210 |
| 9 Yrs | 14.86 | 12.39 | 2.26 | \$3,424 | \$2,982 | \$562 |
| 10 Yrs | 14.77 | 12.97 | 1.80 | \$3,966 | \$3,385 | \$681 |
| Inception | 14.43 | 10.13 | 4.31 | \$87,592 | \$20,379 | \$47,203 |

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POLEN CAPITAL MANAGEMENT, LLC
POLEN FOCUS GROWTH

FS, CES, UMA

UBS Financial Services
MAC, SWP, ACCESS

Wachovia Securities LLC
Network

LPL Financial Services

Envestnet Asset Management
UMA

JP Morgan
EDGE

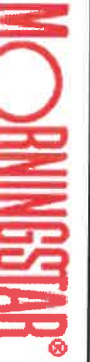
Citigroup
MSP, UMA

RBC Wealth Management
UMA

Concord Trust and Wealth Solutions
UMA

Charles Schwab & Company
Access, Marketplace

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FIDELITY INVESTMENTS
FIDELITY® LARGE CAP GROWTH IDX

OVERALL RANKING:

Product Type:
Mgmt. Co. Name:
Mgmt. Co. Address:

Open Ended Mutual Fund
Fidelity Investments
Fidelity Fund Income Trust
82 Devonshire Street
Boston, MA 02109
USA

Phone:
CUSIP:
Inception Date:

800-544-8544
www.institutional.fidelity.com
8/20/16
310391729
F5R9GX
Inst

Share Class Type:
Total Net Assets (3/2020):
NAV (8/2020):

\$3,413,215,763
15.05

Yield:
Equity Style:
Fix Income Style:

1.16
Large Growth
--

Morningstar Category:
Fund Objective:
Portfolio Turnover:

Large Growth
Growth
14.00

Open to New Investors:
Init. Min. Purchase (\$):
Subsequent Purchase (\$):
Int'l. P/A Min. Purchase (\$):

Yes
0.00
--
--

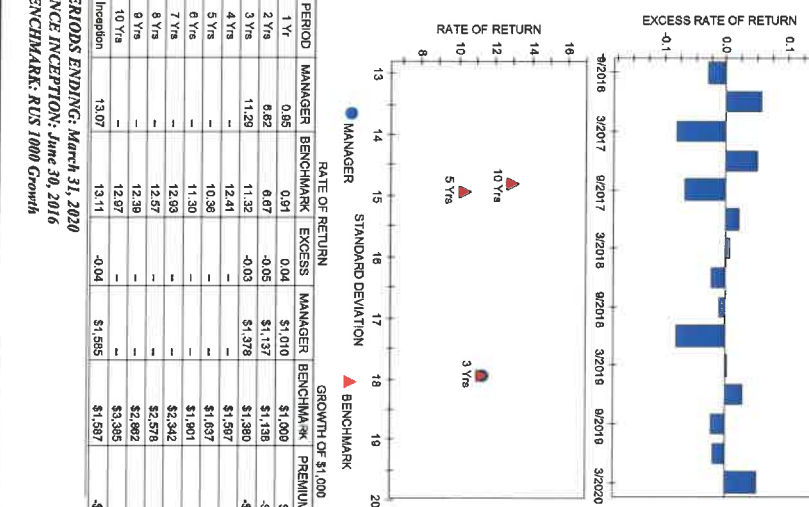
Portfolio Managers:
Tenure (Yrs):

3,82
Louis Bolani

| PERIOD | ROR | STDEV | ALPHA | BETA | RSQR | TRKERR | SHARE | INFORMATO |
|-----------|-------|-------|-------|------|------|--------|-------|-----------|
| 3 Yrs | 11.28 | 17.88 | -0.03 | 1.00 | 1.00 | 0.08 | 0.53 | -0.36 |
| 4 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 5 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 6 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 7 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 8 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 9 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 10 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| Inception | 13.07 | 16.37 | -0.03 | 1.00 | 1.00 | 0.05 | 0.71 | -0.44 |

| PERIOD | ROR | STDEV | ALPHA | BETA | RSQR | TRKERR | SHARE | INFORMATO |
|----------|-------|-------|-------|-------|------|--------|-------|-----------|
| Manager | -1.02 | 38.37 | -1.04 | 30.12 | -- | -- | -- | 13.07 |
| Industry | -1.41 | 38.39 | -1.51 | 30.21 | 7.08 | 13.48 | 16.28 | 2.84 |
| Expense | 0.05 | -0.02 | -0.12 | -0.09 | -- | -- | -- | 16.71 |
| 90 TBR | 0.24 | 2.08 | 2.00 | 0.98 | 0.28 | 0.08 | 0.08 | 0.14 |

| PERIOD | ROR | STDEV | ALPHA | BETA | RSQR | TRKERR | SHARE | INFORMATO |
|-----------|-------|-------|-------|------|------|--------|-------|-----------|
| 3 Yrs | 11.28 | 17.88 | -0.03 | 1.00 | 1.00 | 0.08 | 0.53 | -0.36 |
| 4 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 5 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 6 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 7 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 8 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 9 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| 10 Yrs | -- | -- | -- | -- | -- | -- | -- | -- |
| Inception | 13.07 | 16.37 | -0.03 | 1.00 | 1.00 | 0.05 | 0.71 | -0.44 |



| PERIOD | MANAGER | BENCHMARK | EXCESS | MANAGER | BENCHMARK | PREMIUM |
|-----------|---------|-----------|--------|---------|-----------|---------|
| 1 Yr | 0.85 | 0.91 | 0.04 | \$1,010 | \$1,000 | \$0 |
| 2 Yrs | 6.82 | 6.87 | -0.05 | \$1,137 | \$1,138 | -\$1 |
| 3 Yrs | 11.29 | 11.32 | -0.03 | \$1,378 | \$1,380 | -\$1 |
| 4 Yrs | -- | 12.41 | -- | -- | \$1,587 | -- |
| 5 Yrs | -- | 10.38 | -- | -- | \$1,637 | -- |
| 6 Yrs | -- | 11.20 | -- | -- | \$1,801 | -- |
| 7 Yrs | -- | 12.93 | -- | -- | \$2,342 | -- |
| 8 Yrs | -- | 12.97 | -- | -- | \$2,578 | -- |
| 9 Yrs | -- | 12.38 | -- | -- | \$2,882 | -- |
| 10 Yrs | -- | 12.87 | -- | -- | \$3,385 | -- |
| Inception | 13.07 | 13.11 | -0.04 | \$1,585 | \$1,587 | -\$2 |

PERIODS ENDING: March 31, 2020
SINCE INCEPTION: June 30, 2016
BENCHMARK: RUS 1000 Growth

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**HIGHLAND
CAPITAL
INVESTMENT
REVIEW**



Surfside Pension Trust Fund

Investment Review

Period Ending

March 31, 2020

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1Q20 Equity Commentary

The first quarter of 2020 witnessed market movements and economic events that none of us have ever witnessed before. After establishing a new all time high for the market in late February, we then proceeded straight into a bear market in the shortest time frame since the Great Depression, with the market falling 35% from peak to trough over a mere 23 trading days. The culprit was two pronged, with the Covid 19 pandemic, and the oil supply shock initiated by Russia and the Saudis. The pandemic resulted in an unprecedented shut down of economic activity, impacting roughly 92% of global GDP. In the coming weeks we will see economic numbers that previously were unthinkable. Just this week the US recorded 6.6 million initial unemployment claims (up from almost 3.3 million last week), as employers in industries such as retail, travel and leisure, and food service had no choice but to release workers. The multi decade low unemployment rate of 3.5% is now destined to rise to near double digits or greater in the next few months. We would not be shocked to see GDP for the second quarter contract at a 10% or greater rate, with some estimates as high as 34%. The uncertainties related to the pandemic are many. How long will the near total shutdown of the economy last? Will parts of the country be able to return to work on a limited basis? We don't have the answers to those questions, and expect those to be dictated by progress on the healthcare front as containment measures prove to be successful, or as therapeutic remedies are found. Regardless, the US economy will come back. We expect improvement to begin in the third quarter, with a more dramatic improvement in Q4.

Why is this different from the financial crisis in 2008?

First, this is a public health issue and not an issue emanating from the financial markets or the economy. The economy was strong prior to the onset of Covid 19, and the ensuing slowdown in the economy has been due to government fiat to stop the spread of the virus. Yes, many companies have and will experience liquidity issues as a result. Some could lead to solvency issues, but most should not given the quick actions taken by the government. In effect, the lessons learned by the Federal Reserve and our Congressional leaders during the 2008 Financial Crisis have been instrumental in responding to this crisis, ensuring that it doesn't develop into anything more than a sharp, and hopefully brief recession. The Fed has provided liquidity within the fixed income markets by instituting facilities to stand behind money market mutual funds, commercial paper, and investment grade bonds. This helps to support the flow of credit to households and businesses. In addition, the Fed has lowered reserve requirements on banks and lowered short term rates to near zero to encourage lending in the financial system. The US Congress has acted responsibly through fiscal measures to (1) provide emergency supplemental funding in the amount of \$8.3 billion for federal agencies to respond to the outbreak, (2) enhanced the safety net provisions for paid sick and family leave, better unemployment benefits, aid to states for Medicaid, free virus testing, and lowered restrictions on food stamps, and (3) Congress has passed a \$2 trillion relief package aimed at providing even more support for public health (\$153B), local and state governments (\$339B), individuals (\$560B), small business (\$377B), and big corporations (\$500B).

1Q20 Equity Commentary

To say that the Federal government has fired a bazooka at the problem would be an understatement: its more like a nuclear missile. And even as the ink was drying on the recent legislation, Congressional leaders were already talking about the possibility of yet another aid package if needed. In short, helicopter money has arrived, and while there are numerous debates as to the long term impacts on debt, inflation, and interest rates, we will save that for another day. The Fed and the US Government have committed to do whatever is necessary to bridge the gap for the American worker and business to get beyond the pandemic.

First Quarter Market Recap:

The S&P dropped 19.6 % in the first quarter of 2020 making this the worst first quarter in history, and the biggest quarterly loss since 2008. The five day rally experienced near quarter end of 17.4% was the second best five day rally in history. The best performing sector for the quarter was Technology which fell by 12.2%. It seems that the trend of what was working or not working going into the market downdraft continued. Defensive sectors like Healthcare and Consumer Staples lived up to their billing falling 13.1% and 13.4% respectively. Healthcare seems to have generated more investor appreciation given the urgent needs for therapeutic treatments and vaccine development. The most economically sensitive areas such as Energy and Financials were the worst performing sectors, with Energy down 51.1%, and Financials off 32.3%. Energy was crushed in a very short time as it suffered the dual hits of demand destruction as economies shut down (estimated demand destruction of 20+ million barrels per day), along with an ill timed price war between

Russia and Saudi Arabia that saw oil prices drop 60% from the end of their failed March 6th meeting. Financials also suffered in the quarter as lower interest rates will negatively impact margins, and loan losses are set to rise as the economy enters recession.

Outlook:

So where do we go from here since we are in uncharted territory? We expect both the market and the economy to bounce back. However, we don't know when and to what extent. Our thought is that the strength of the recovery and the market rebound will be inversely proportional to the time it takes to contain the virus. The longer it takes to contain the virus the weaker the recovery, the shorter the time frame to control the outbreak the stronger the rebound. With the market declining 35% from its peak, the decline is very much in line with the long term bear market average declines of 38%. The end of March bounce of 17.9% was welcome, but also indicative of a deeply oversold market that had witnessed indiscriminate selling in order to raise liquidity. Rallies like this are not unusual in a bear market, and history tells us that after this type of rally the market is usually higher by almost 10% over the next 125 days, and up by 24% over the next 240 days. The market could still retest the lows of March 23, as market bottoms are usually a process and require time to complete. With economic numbers that will be extremely weak over the next several months we expect volatility to remain elevated, but to calm as rates of new infection plateau. In many respects we are all flying blind as this is an unprecedented scenario with a near total shut down of global economic activity.

1Q20 Equity Commentary

We do know that it will end, its just the timing that's uncertain. The global healthcare community is working tirelessly to develop tests, vaccines, antibodies, and therapies that will help to treat and prevent future outbreaks. Our bet is on scientific innovation to succeed. Covid 19 may or may not be slowed by warmer weather, might come back in the fall or winter, and could become another seasonal strain . But regardless, the next iteration of this virus will be met with better preparation, treatments, and protocols that will

Valuation and Portfolio Positioning:

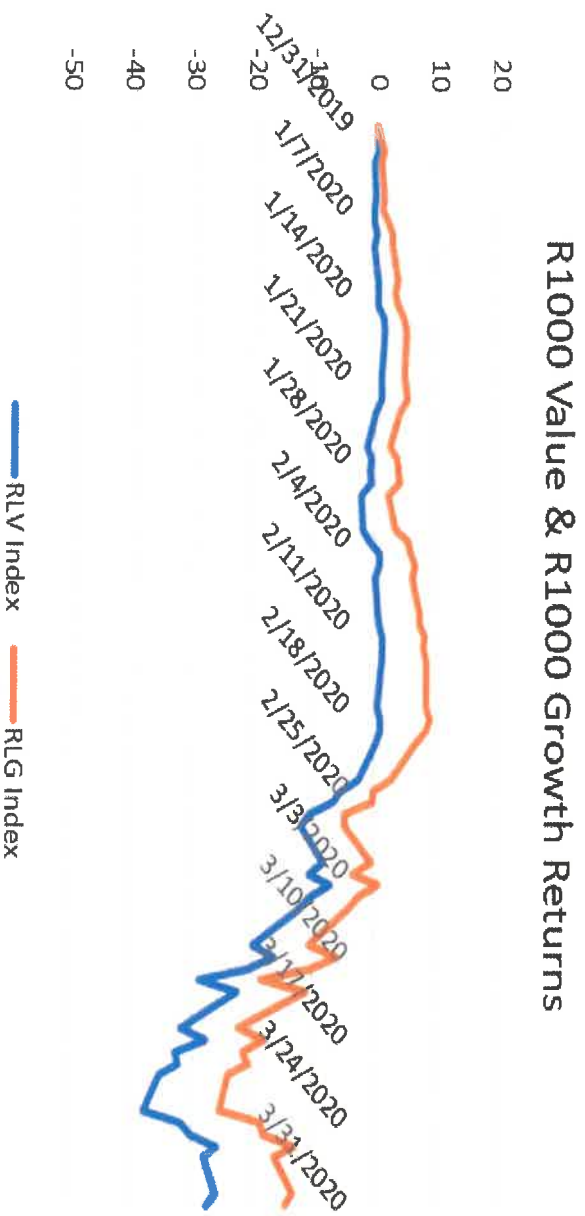
Valuation is tough to determine when you don't what the earnings are likely to be. That's the position all of us find ourselves in at present. The current consensus numbers for 2020 earnings have come down from an expected increase of 9.2% at December 31, to a decline of 1.2% as of last week. We think that number will probably move lower as more companies withdraw earnings guidance. Again, the timing of the shut down is the critical unknown element. The market valuation using the current consensus earnings has the market selling at 15.5X earnings, almost in line with the 10 year average of 15X, and below the five year average of 16.7X. However, that multiple rises to almost 18X if S&P earnings come in at \$140 for 2020. The use of valuation metrics at this point is somewhat spurious. So what is our portfolio approach in a period like this? For long term investors the market pullback provides opportunities. High quality companies that were previously too expensive to purchase are now attractive. It's a chance to upgrade holdings in

the portfolios. We know from experience that quality usually wins in the long term, and typically bounces back faster. While defensive sectors have worked in the pullback, it might be time to trim some of those positions. As we look ahead to the recovery (and it will come), more cyclical sectors and names will become leaders as the market moves to a less defensive posture. This can be a delicate balancing act with the current level of volatility, but one that we believe makes sense.

At Highland we have always taken a long term approach to investing. Since our inception in 1987 we have endured the market crash in October of that year, the Iraq war, foreign sovereign defaults, a tech market bubble, a US debt downgrade, the Great Financial Crisis, and many other "crises" that were important at the time, but not worth mentioning now. The market has always moved on to new highs. We will come through this crisis as well, and quality holdings that are beaten down today will recover nicely over time. These periods of market upheaval can be disquieting. But calm, rational behavior is what is required. We are here to assist you in any way, and to answer your questions. We appreciate the opportunity to serve you, and value the trust and confidence that you have placed in us. Stay safe and well.

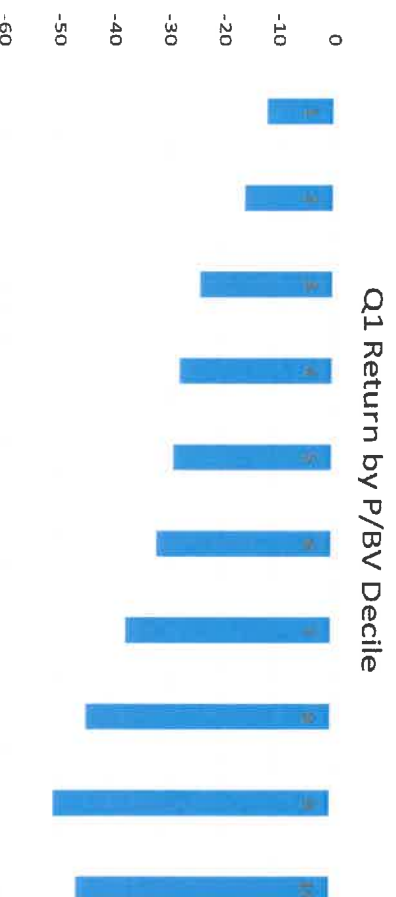
1Q20 Large Cap Value Equity Commentary

First quarter performance was disappointing to us who would have expected “value” to hold up better during a broad market sell off like we witnessed. Nonetheless, the persistent pattern of “growth” bettering “value” continued as detailed in this graph comparing the two styles.



1Q20 Large Cap Value Equity Commentary

Drilling down further, the lack of downside protection of the “Value” style is shown here by comparing returns by Price to Book value deciles.



The overwhelming majority of the time during the business cycle, there is investment uncertainty concerning where we are and where we are heading next. During long expansions, attention surrounds how long the advance can last and how high it will get. At tops, the discussion typically turns to factors that will serve to support a permanent new high. As the cycle slows, investors argue whether the expansion is over or whether it represents an economic pause supporting a “buy the dip” opportunity. All of these points covering the typical cycle are fraught with uncertainty about how to structure investment portfolios to take advantage. Yet there is one and only one time during the cycle that there are no doubts about where one is and what will follow and that is during recessions like we are in today.

Historically, new leadership emerges out of US recessions and we would look forward to the emergence of companies more cyclically tied to the recovery of the economy for the next leg up in the market. We believe it likely that this move to come will act to close the performance gap between Growth and Value styles as it has done in the past. Our portfolios are structured to take advantage of such a rotation by overweighting industrials, select energy and consumer discretionary sectors of the index.

1Q20 Fixed Income Portfolio Manager Commentary

What didn't the Federal Reserve announce over the past thirty days? Here is a quick review of the monumental stimulus/liquidity being provided to the market by the Federal Reserve:

- On March 3rd, the Federal Reserve announced the first emergency cut to interest rates since 2008. A 50 basis point reduction to short term interest rates.
- On Sunday March 14th, the Fed announced *another* emergency rate cut. This time dropping interest rates by a full 1% bringing the rate to essentially 0%. Additionally, they announced a bond buying program (\$700 billion in Treasuries and \$200 billion in agency mortgage-backed securities).
- On Monday March 23rd, the Fed announced essentially *unlimited* quantitative easing (purchasing of bonds) in order to calm financial markets. The Fed dramatically expanded a bond buying program that was announced just eight days ago.
 - o The other major initiative announced on the 23rd was the Federal Reserve would also start **purchasing investment grade corporate bonds**. Purchasing investment grade corporate bonds has been adopted by other central banks, however this was the first endeavor for the United States.
 - o The program will last until September 2020 and is attempting to calm the stressed credit markets.
 - o The Federal Reserve Bank of New York hired Blackrock to purchase bonds on the Fed's behalf.

The above actions are the major initiatives announced by the Federal Reserve; however, the full list is much longer and probably will evolve over the coming quarters as the virus could impact other markets. The Fed is not acting alone in this stimulus, as during March we also saw major initiatives announced in Japan, Canada, Europe and China to name a few. Neel Kashkari, the President of the Federal Reserve Bank of Minneapolis, gave an informative interview on March 22nd noting how aggressive the Fed will be during this time of market stress. Mr. Kashkari was an instrumental Treasury official during the 2008 financial crisis and helped formulate a plan to save the banks. Here is Mr. Kashkari stating what the Fed has done and will do in order to bring market stability.... "We're being very aggressive. And I think our chairman, Jay Powell, has learned from the experience of 2008.

We're moving much faster than we moved in 2008. We're being more aggressive. Is there more we can do? Yes. Is there more we may end up doing? Yes. But I think we're being very aggressive. I think that's the right thing."

Risk assets not only performed poorly in the stock market during the quarter, but that also carried over into the bond market. Investors only had a couple of places to hide and preserve money during the quarter.....most notably Treasury bonds. As investors rushed to sell assets, investment managers were forced to sell the most liquid securities in the market which forced those values down in price. During the week of March 16th, the bond market faced a spike in volatility, massive liquidations from mutual funds and investors being forced to sell into a completely illiquid market.

1Q20 Fixed Income Portfolio Manager Commentary

To put this into perspective, *liquidity was poor in every market including the United States Treasury market*. We trade Treasuries electronically, and in the past these markets were efficient and liquid. However, during the week of March 16th we noticed dealers stepping away from the Treasury market and the bid/ask spread on Treasuries was over 10 times wider than prior periods. Large bond ETF's traded at a steep discount to the net asset value as sellers outpaced any demand in the market. For example, on March 12th, the iShares Core US Aggregate ETF traded at a 4.4% discount to NAV, a distinct difference from the five-year average (0.04% premium). Investor outflows in the municipal bond market were the most pronounced.

Retail investors pulled over \$10 billion from the market in three straight weeks. During the week of March 18th, municipal bonds experienced \$19 billion in outflows the previous weekly high before March was only \$4.5 billion. Where did the money go during this spike in volatility...US government money-market funds. During the week of March 16th, investors poured a record \$249 billion into government money market funds which now yield approximately 10 basis points and is probably headed lower. This outflow from both corporate and muni funds created great opportunities for investors with cash. For example, during this heightened volatility investors were able to buy pre-refunded municipal bonds at yields that exceeded Treasuries by approximately 2.5%. As a reminder, these are bonds that are backed by Treasuries and the security has zero credit risk. These are the type of inefficiencies that were created during this mad scramble for cash. Fortunately within the Cares Act, \$150 billion will be allocated to state and city governments in order to address expenses incurred to deal with the coronavirus

public health emergency. Additionally, a bill introduced in the Senate would amend the Federal Reserve Act to allow the Fed to purchase municipal bonds as well.

The 2 year Treasury started the year at 1.58% and ended the quarter yielding only 0.23%. During the month of March, *the 2 year bond declined 67 basis points which was the largest monthly decline since January 2008*. Treasuries have produced gains each month this quarter far outpacing returns in other fixed income asset classes. To make matters worse with corporate bonds, the bond rating agencies have been adding to the pressure by downgrading a wide range of bonds during the quarter related to the pandemic. Moody's has already downgraded 405 credits year-to-date, marking the highest level in almost a decade.

Historic actions taken by the Federal Reserve have started to calm the bond market and opened up better liquidity conditions for investors. However, with the volatility index (VIX) still at considerably high levels, we believe the next few months might present similar challenges to the trading environment of March. We still see tremendous opportunities in countless sectors and markets, but we are cognizant that many industries/companies will come under pressure from this pandemic and investment decisions will be factoring in changes to consumption patterns.

Surfside Pension Trust Fund

Period Ending 3/31/2020

Total Return Summary

| | Beginning Market Value | Ending Market Value | Difference | Contributions | Withdrawals | Gain/Loss | Cumulative Return | Annualized Return |
|---|------------------------|---------------------|--------------|---------------|---------------|--------------|-------------------|-------------------|
| Quarter (1/1/20 - 3/31/20) | \$12,950,549 | \$11,326,070 | -\$1,624,478 | \$134,979 | -\$260,087 | -\$1,499,371 | -11.70% | ----- |
| Fiscal Year to Date (10/1/19 - 3/31/20) | \$11,400,099 | \$11,326,070 | -\$74,029 | \$1,720,777 | -\$736,184 | -\$1,058,622 | -8.57% | ----- |
| Five Year (4/1/15 - 3/31/20) | \$811,213 | \$11,326,070 | \$10,514,858 | \$17,489,440 | -\$16,452,860 | \$9,478,278 | 15.79% | 2.98% |

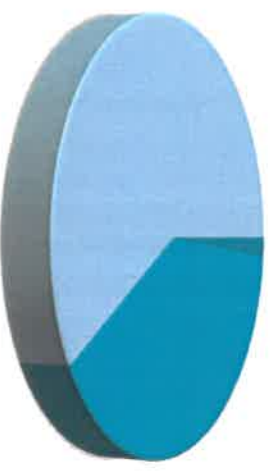
Asset Allocation

As of 12/31/2019



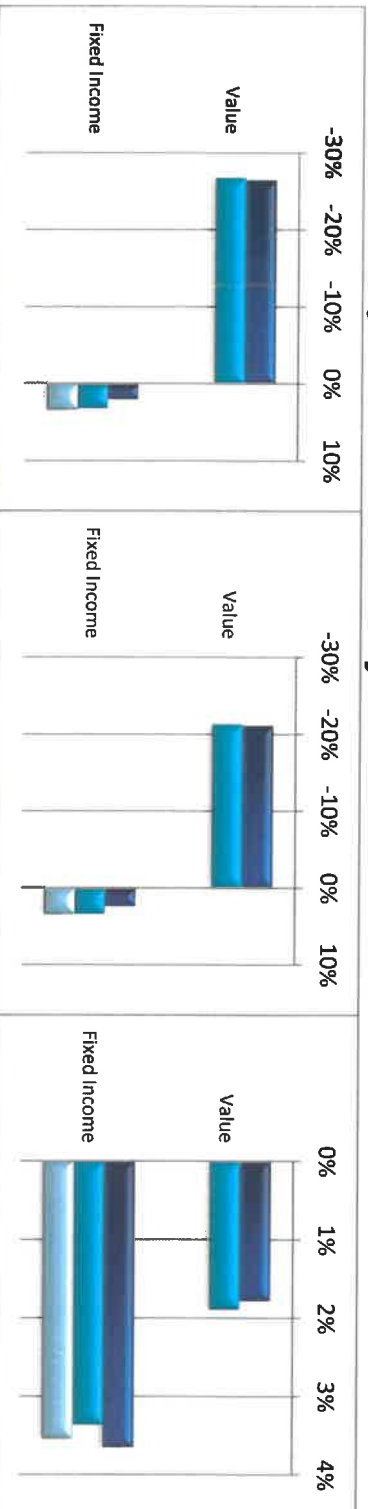
| | | |
|--------------|---------------------|---------------|
| Cash | \$965,231 | 7.5% |
| Value | \$5,509,618 | 42.5% |
| Fixed Income | \$6,475,699 | 50.0% |
| Total | \$12,950,549 | 100.0% |

As of 3/31/2020



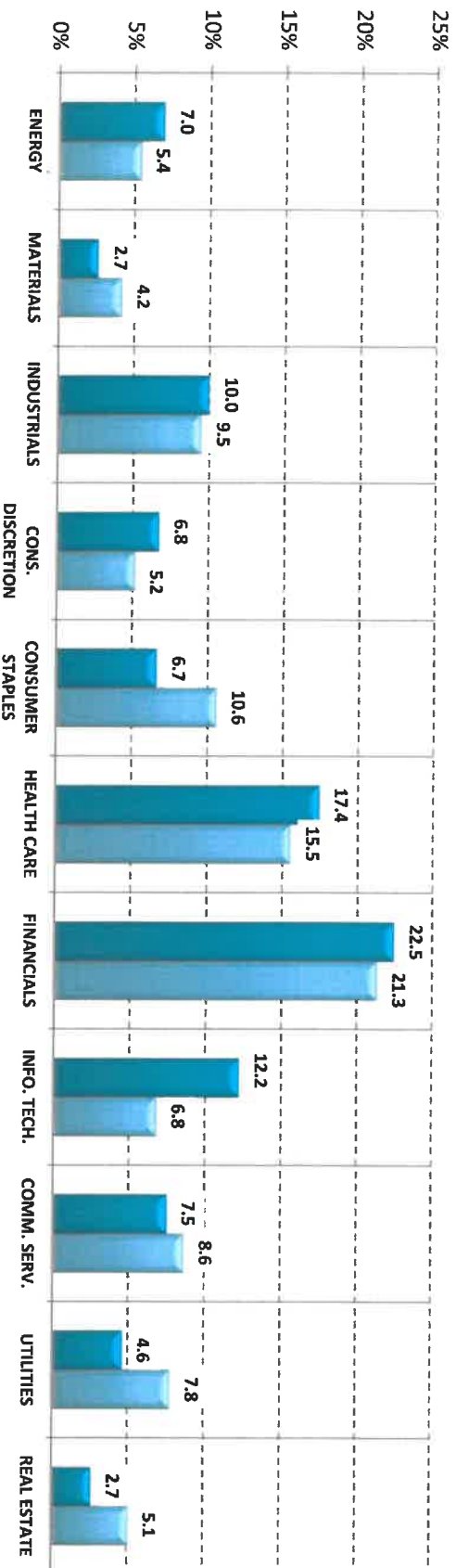
| | | |
|--------------|---------------------|---------------|
| Cash | \$182,933 | 1.6% |
| Value | \$4,529,988 | 40.0% |
| Fixed Income | \$6,613,149 | 58.4% |
| Total | \$11,326,070 | 100.0% |

Performance Returns for Various Periods

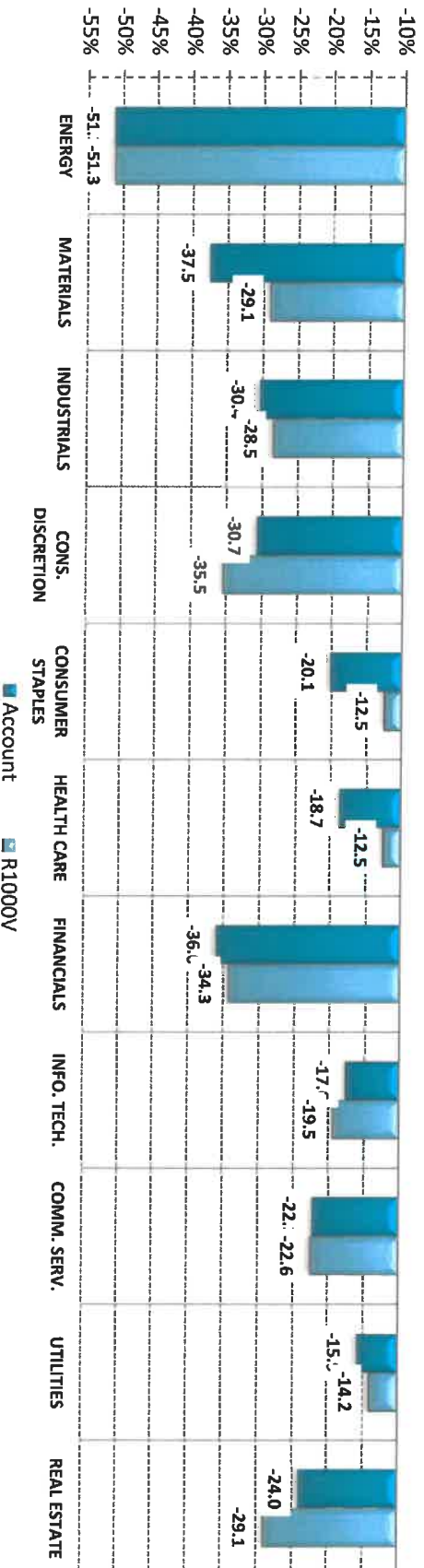


| | Quarter (1/1/20 - 3/31/20) | Fiscal Year to Date (10/1/19 - 3/31/20) | Five Year (Annualized) (4/1/15 - 3/31/20) |
|---------------------|-------------------------------|--|--|
| Value | -26.42% | -21.10% | 1.78% |
| R1000V | -26.73% | -21.32% | 1.89% |
| Fixed Income | 1.93% | 2.30% | 3.65% |
| BCAG | 3.15% | 3.33% | 3.36% |
| BCGC | 3.37% | 3.36% | 3.54% |

Domestic Equity Sector Allocation vs. R1000V



Domestic Equity Quarterly Sector Returns vs. R1000V

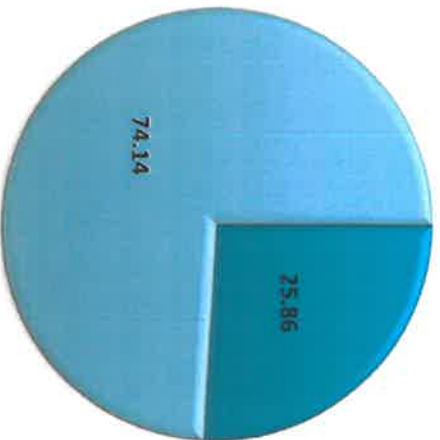


Surfside Pension Trust Fund

Period Ending 3/31/2020

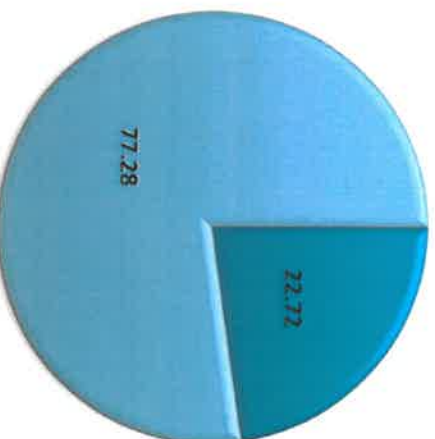
Top Ten Domestic Equity Holdings

Account



| Security | Weight % | QTD Return % |
|------------------------|----------|--------------|
| BERKSHIRE HATHAWAY INC | 4.22 | -19.03 |
| INTEL CORP | 3.10 | -8.94 |
| JP MORGAN CHASE & CO | 2.97 | -34.45 |
| JOHNSON & JOHNSON | 2.89 | -12.98 |
| AT&T INC | 2.47 | -24.30 |
| PROCTER & GAMBLE CO | 2.42 | -10.32 |
| CHEVRON CORP | 2.07 | -38.72 |
| BANK OF AMERICA CORP | 2.06 | -39.32 |
| VERIZON COMM INC | 1.83 | -13.78 |
| PFIZER INC | 1.83 | -14.87 |

Russell 1000 Value



| Security | Weight % | QTD Return % |
|-----------------------------|----------|--------------|
| BERKSHIRE HATHAWAY INC-CL B | 3.42 | -19.28 |
| JOHNSON & JOHNSON | 2.83 | -9.52 |
| JP MORGAN CHASE & CO | 2.69 | -35.00 |
| PROCTER & GAMBLE CO/THE | 2.41 | -11.40 |
| INTEL CORP | 2.22 | -9.13 |
| VERIZON COMMUNICATIONS | 2.13 | -11.58 |
| AT&T INC | 2.04 | -24.41 |
| PFIZER INC | 1.74 | -15.84 |
| BANK OF AMERICA CORP | 1.63 | -39.32 |
| WALT DISNEY CO/THE | 1.61 | -33.21 |

S&P 500



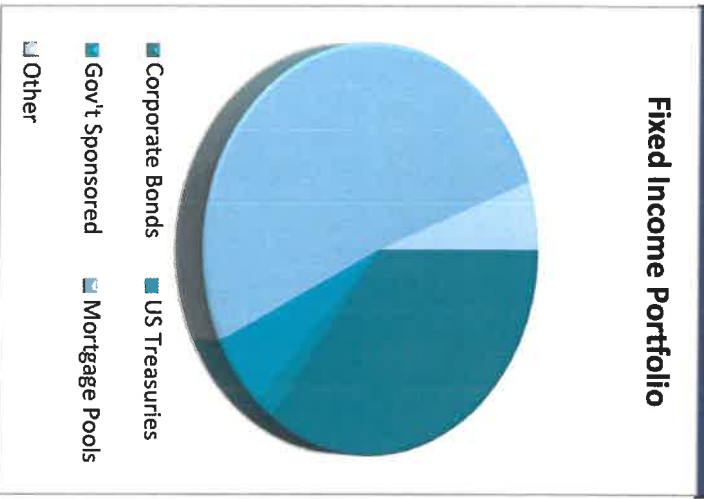
| Security | Weight % | QTD Return % |
|-----------------------------|----------|--------------|
| MICROSOFT INC | 5.60 | 0.28 |
| APPLE INC | 4.94 | -13.20 |
| AMAZON.COM INC | 3.78 | 5.51 |
| FACEBOOK INC-A | 1.87 | -18.73 |
| BERKSHIRE HATHAWAY INC-CL B | 1.66 | -19.28 |
| ALPHABET INC-CL A | 1.62 | -13.25 |
| ALPHABET INC-CL C | 1.62 | 13.03 |
| JOHNSON & JOHNSON | 1.61 | -9.52 |
| JP MORGAN CHASE & CO | 1.32 | -35.00 |
| PROCTER & GAMBLE CO | 1.28 | -11.40 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

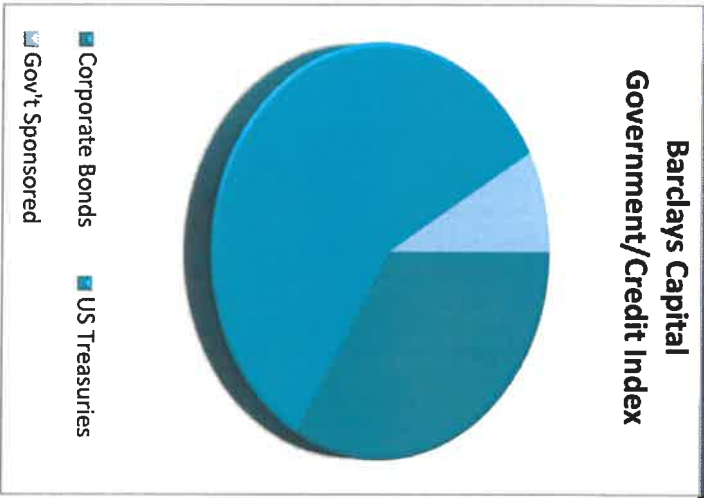
Fixed Income Sector Allocation

Yield: 3.12%



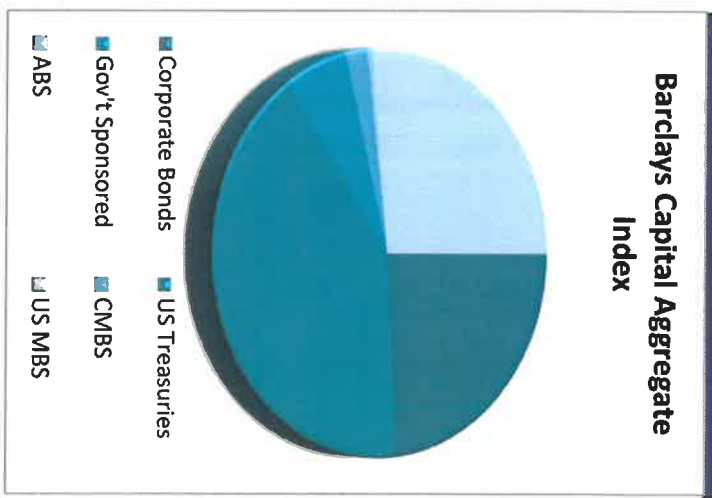
| | |
|-----------------|-------------|
| Corporate Bonds | 35.5% |
| US Treasuries | 1.8% |
| Gov't Sponsored | 5.6% |
| Mortgage Pools | 51.1% |
| Other | 5.6% |
| Total | 100% |

Yield: 2.71%



| | |
|-----------------|-------------|
| Corporate Bonds | 57.7% |
| US Treasuries | 34.0% |
| Gov't Sponsored | 8.3% |
| Total | 100% |

Yield: 2.87%



| | |
|-----------------|-------------|
| Corporate Bonds | 40.9% |
| US Treasuries | 24.1% |
| Gov't Sponsored | 5.9% |
| CMBS | 2.1% |
| ABS | 26.6% |
| Other | 0.0% |
| Total | 100% |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Bond Quality Allocation

Average Quality: AA2

Fixed Income Portfolio



■ Aaa ■ Aa ■ A ■ Baa ■ Other

| | |
|--------------|-------------|
| Aaa | 60.2% |
| Aa | 5.5% |
| A | 19.4% |
| Baa | 9.7% |
| Other | 5.4% |
| Total | 100% |

Average Quality: AA2/AA3

Barclays Capital Government/Credit Index

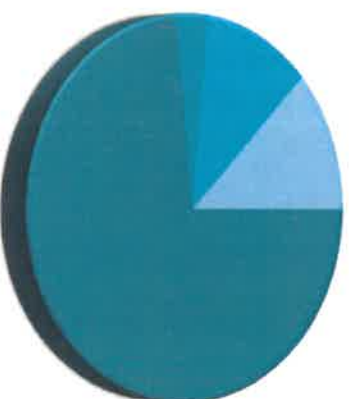


■ Aaa ■ Aa ■ A ■ Baa ■ Other

| | |
|--------------|-------------|
| Aaa | 62.4% |
| Aa | 4.0% |
| A | 15.7% |
| Baa | 17.4% |
| Other | 0.0% |
| Total | 100% |

Average Quality: AA1/AA2

Barclays Capital Aggregate Index



■ Aaa ■ Aa ■ A ■ Baa ■ Other

| | |
|--------------|-------------|
| Aaa | 73.1% |
| Aa | 3.3% |
| A | 11.2% |
| Baa | 12.3% |
| Other | 0.0% |
| Total | 100% |

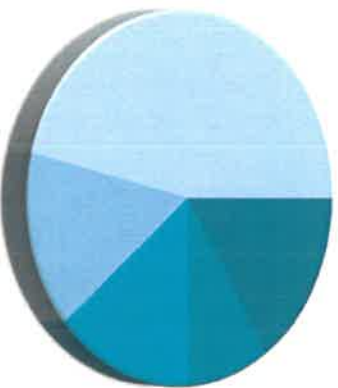
Surfside Pension Trust Fund

Period Ending 3/31/2020

Bond Maturity Allocation

Average Maturity: 13.36 Years

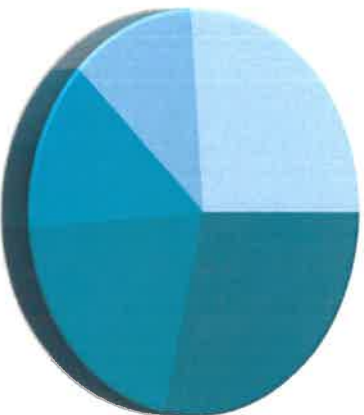
Fixed Income Portfolio



■ <3 Yrs
 ■ 3-5 Yrs
 ■ 5-7 Yrs
■ 7-10 Yrs
 ■ >10 Yrs

Average Maturity: 9.52 Years

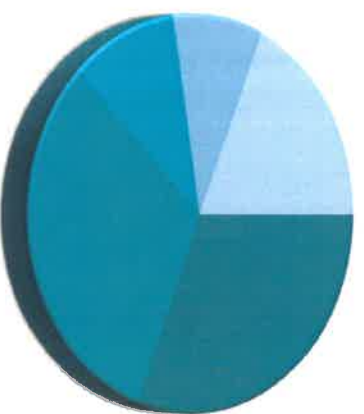
Barclays Capital Government/Credit Index



■ <3 Yrs
 ■ 3-5 Yrs
 ■ 5-7 Yrs
■ 7-10 Yrs
 ■ >10 Yrs

Average Maturity: 7.77 Years

Barclays Capital Aggregate Index



■ <3 Yrs
 ■ 3-5 Yrs
 ■ 5-7 Yrs
■ 7-10 Yrs
 ■ >10 Yrs

| | |
|--------------|-------------|
| <3 Yrs | 15.9% |
| 3-5 Yrs | 8.9% |
| 5-7 Yrs | 14.2% |
| 7-10 Yrs | 14.7% |
| >10 Yrs | 46.3% |
| Total | 100% |

| | |
|--------------|-------------|
| <3 Yrs | 28.7% |
| 3-5 Yrs | 20.0% |
| 5-7 Yrs | 13.1% |
| 7-10 Yrs | 11.7% |
| >10 Yrs | 26.4% |
| Total | 100% |

| | |
|--------------|-------------|
| <3 Yrs | 31.0% |
| 3-5 Yrs | 31.1% |
| 5-7 Yrs | 10.1% |
| 7-10 Yrs | 9.0% |
| >10 Yrs | 18.7% |
| Total | 100% |

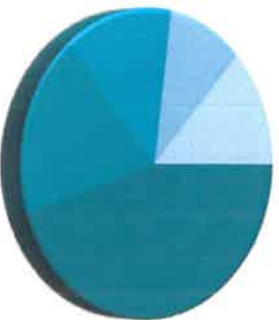
Surfside Pension Trust Fund

Period Ending 3/31/2020

Duration Allocation

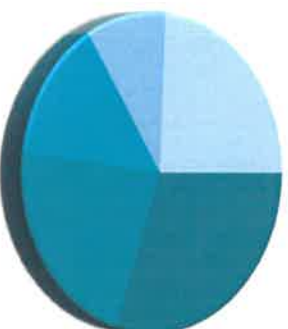
Average Duration: 4.81

Fixed Income Portfolio



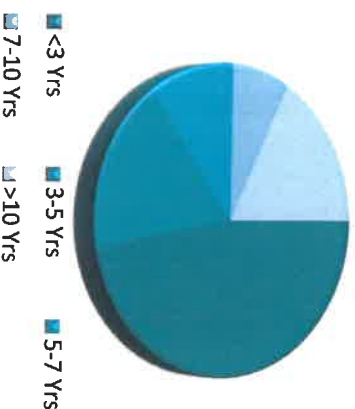
Average Duration: 7.23

Barclays Capital Government/Credit Index



Average Duration: 5.69

Barclays Capital Aggregate Index

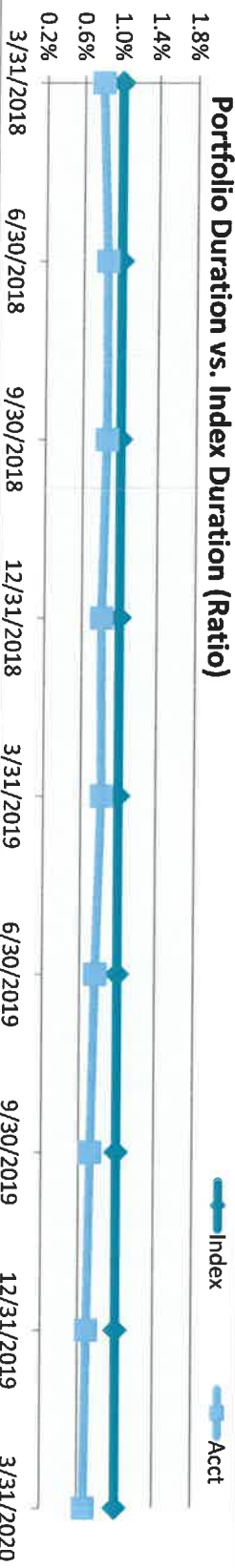


| | |
|----------|-------|
| <3 Yrs | 45.1% |
| 3-5 Yrs | 18.3% |
| 5-7 Yrs | 13.6% |
| 7-10 Yrs | 10.0% |
| >10 Yrs | 13.0% |
| Total | 100% |

| | |
|----------|-------|
| <3 Yrs | 30.3% |
| 3-5 Yrs | 21.7% |
| 5-7 Yrs | 14.0% |
| 7-10 Yrs | 9.7% |
| >10 Yrs | 24.4% |
| Total | 100% |

| | |
|----------|-------|
| <3 Yrs | 47.5% |
| 3-5 Yrs | 17.4% |
| 5-7 Yrs | 10.5% |
| 7-10 Yrs | 7.4% |
| >10 Yrs | 17.3% |
| Total | 100% |

Portfolio Duration vs. Index Duration (Ratio)



Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|-----------------------------------|-------------------------------|-----------|-------------------|--------|-------------------|-------------|------------|-----------------|----------|---------------|
| CASH AND EQUIVALENTS (USD) | | | | | | | | | | |
| | CASH | | 181,301.89 | | 181,301.89 | 0.9 | 1.7 | | | |
| | Dividend Accrual | | 1,630.74 | | 1,630.74 | 0.0 | | | | |
| | | | 182,932.63 | | 182,932.63 | 0.9 | 1.7 | | | |
| COMMON STOCK (USD) | | | | | | | | | | |
| Energy | | | | | | | | | | |
| 1298 | CHEVRON CORP | 105.93 | 137,493.18 | 72.46 | 94,053.08 | 0.5 | 7.1 | | | |
| 1100 | CONOCOPHILLIPS | 54.24 | 59,667.70 | 30.80 | 33,880.00 | 0.2 | 5.5 | | | |
| 500 | EOG RESOURCES INC | 86.24 | 43,120.96 | 35.92 | 17,960.00 | 0.1 | 4.2 | | | |
| 2050 | EXXON MOBIL CORP | 84.65 | 173,532.94 | 37.97 | 77,838.50 | 0.4 | 9.2 | | | |
| 2500 | MARATHON OIL CORP | 27.06 | 67,642.72 | 3.29 | 8,225.00 | 0.0 | 6.1 | | | |
| 900 | MURPHY OIL CORP | 38.60 | 34,741.56 | 6.13 | 5,517.00 | 0.0 | 16.3 | | | |
| 700 | OCCIDENTAL PETE CORP DEL | 60.57 | 42,400.78 | 11.58 | 8,106.00 | 0.0 | 27.3 | | | |
| 500 | PHILLIPS 66 | 67.22 | 33,611.55 | 5.65 | 26,825.00 | 0.1 | 6.7 | | | |
| 1350 | SCHLUMBERGER LTD | 59.60 | 80,464.22 | 13.49 | 18,211.50 | 0.1 | 14.8 | | | |
| 550 | VALERO ENERGY CORPORATION | 55.21 | 30,364.05 | 45.36 | 24,948.00 | 0.1 | 8.6 | | | |
| | | | 703,039.66 | | 315,564.08 | 1.6 | 8.5 | | | |
| Materials | | | | | | | | | | |
| 375 | CORTEVA INC | 33.20 | 12,450.39 | 23.50 | 8,812.50 | 0.0 | 2.2 | | | |
| 375 | DOW INC | 53.05 | 19,895.59 | 29.24 | 10,965.00 | 0.1 | 9.6 | | | |
| 175 | DUPONT DE NEMOURS INC | 65.51 | 11,464.11 | 34.10 | 5,967.50 | 0.0 | 3.5 | | | |
| 2800 | GRAPHIC PACKAGING HOLDING CO | 13.26 | 37,124.26 | 12.20 | 34,160.00 | 0.2 | 2.5 | | | |
| 850 | LYONDELLBASELL INDUSTRIES N V | 87.87 | 74,691.94 | 49.63 | 42,185.50 | 0.2 | 8.5 | | | |
| 1650 | OLIN CORP | 17.35 | 28,622.77 | 11.67 | 19,255.50 | 0.1 | 6.9 | | | |
| | | | 184,249.06 | | 121,346.00 | 0.6 | 5.9 | | | |
| Industrials | | | | | | | | | | |
| 400 | CATERPILLAR INC DEL | 116.11 | 46,442.38 | 116.04 | 46,416.00 | 0.2 | 3.6 | | | |
| 350 | CUMMINS INC | 158.07 | 55,324.18 | 135.32 | 47,362.00 | 0.2 | 3.9 | | | |
| 700 | EATON CORP PLC | 68.01 | 47,604.66 | 77.69 | 54,383.00 | 0.3 | 3.8 | | | |
| 450 | FORTIVE CORP | 68.20 | 30,689.04 | 55.19 | 24,835.50 | 0.1 | 0.5 | | | |
| 4556 | GENERAL ELEC CO | 21.14 | 96,301.21 | 7.94 | 36,174.64 | 0.2 | 0.5 | | | |
| 400 | HONEYWELL INTL INC | 154.53 | 61,811.32 | 133.79 | 53,516.00 | 0.3 | 2.7 | | | |
| 300 | NORFOLK SOUTHERN CORP | 97.13 | 27,638.22 | 146.00 | 43,800.00 | 0.2 | 2.6 | | | |
| 200 | NORTHROP GRUMMAN CORP | 293.21 | 58,642.94 | 302.55 | 60,510.00 | 0.3 | 1.7 | | | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Coupon % | Maturity Date |
|----------|---------------------------------------|-----------|-------------------|--------|-------------------|-------------|------------|------------------|---------------|
| 400 | OSHKOSH CORP | 68.34 | 27,334.35 | 64.33 | 25,732.00 | 0.1 | 1.9 | | |
| 450 | UNITED AIRLINES HOLDINGS INC | 86.09 | 38,740.43 | 31.55 | 14,197.50 | 0.1 | 0.0 | | |
| 475 | UNITED TECHNOLOGIES CORP | 116.07 | 55,133.96 | 94.33 | 44,806.75 | 0.2 | 3.1 | | |
| | | | 545,662.70 | | 451,733.39 | 2.2 | 2.5 | | |
| | Consumer Discretionary | | | | | | | | |
| 2600 | FORD MOTOR CO | 10.80 | 28,077.74 | 4.83 | 12,558.00 | 0.1 | 12.4 | | |
| 1350 | GENERAL MOTORS CO | 36.37 | 49,105.16 | 20.78 | 28,053.00 | 0.1 | 7.3 | | |
| 300 | HOME DEPOT INC | 226.98 | 68,093.09 | 186.71 | 56,013.00 | 0.3 | 3.2 | | |
| 1500 | LAS VEGAS SANDS CORP | 56.98 | 85,472.56 | 42.47 | 63,705.00 | 0.3 | 7.4 | | |
| 300 | MCDONALDS CORP | 176.68 | 53,003.04 | 165.35 | 49,605.00 | 0.2 | 3.0 | | |
| 1400 | PLUTE GROUP INC | 29.63 | 41,476.54 | 22.32 | 31,248.00 | 0.2 | 2.2 | | |
| 700 | TARGET CORP | 86.04 | 60,224.75 | 92.97 | 65,079.00 | 0.3 | 2.8 | | |
| | | | 385,452.88 | | 306,261.00 | 1.5 | 4.6 | | |
| | Consumer Staples | | | | | | | | |
| 550 | INGREDION INC | 95.09 | 52,301.75 | 75.50 | 41,525.00 | 0.2 | 3.3 | | |
| 700 | KELLOGG CO | 56.00 | 39,198.53 | 59.99 | 41,993.00 | 0.2 | 3.8 | | |
| 550 | PEPSICO INC | 115.02 | 63,262.63 | 120.10 | 66,055.00 | 0.3 | 3.2 | | |
| 1000 | PROCTER & GAMBLE CO | 93.81 | 93,812.20 | 110.00 | 110,000.00 | 0.5 | 2.7 | | |
| 1350 | US FOODS HOLDING CORP | 35.05 | 47,311.89 | 17.71 | 23,908.50 | 0.1 | 0.0 | | |
| 400 | WALGREENS BOOTS ALLIANCE INC | 73.87 | 29,546.13 | 45.75 | 18,300.00 | 0.1 | 4.0 | | |
| | | | 325,433.13 | | 301,781.50 | 1.5 | 2.9 | | |
| | Health Care | | | | | | | | |
| 250 | AMGEN INC | 173.40 | 43,348.92 | 202.73 | 50,682.50 | 0.3 | 3.2 | | |
| 300 | ANTHEM INC | 235.85 | 70,754.68 | 227.04 | 68,112.00 | 0.3 | 1.7 | | |
| 150 | BIOGEN IDEC INC | 288.50 | 43,275.33 | 316.38 | 47,457.00 | 0.2 | 0.0 | | |
| 1350 | BRISTOL-MYERS SQUIBB CO | 47.00 | 63,446.38 | 55.74 | 75,249.00 | 0.4 | 3.2 | | |
| 200 | CIGNA CORP | 122.97 | 24,594.50 | 177.18 | 35,436.00 | 0.2 | 0.0 | | |
| 1100 | CVS HEALTH CORPORATION | 67.51 | 74,256.35 | 59.33 | 65,263.00 | 0.3 | 3.4 | | |
| 350 | HCA HEALTHCARE INC | 89.27 | 31,242.87 | 89.85 | 31,447.50 | 0.2 | 1.9 | | |
| 1000 | JOHNSON & JOHNSON | 132.52 | 132,517.78 | 131.13 | 131,130.00 | 0.6 | 2.9 | | |
| 350 | LABRATORY CORPORATION OF AMERICA HOLL | 186.44 | 65,253.62 | 126.39 | 44,236.50 | 0.2 | 0.0 | | |
| 850 | MERCK & CO INC | 60.20 | 51,174.23 | 76.94 | 65,399.00 | 0.3 | 3.2 | | |
| 2550 | PFIZER INC | 33.92 | 86,502.85 | 32.64 | 83,232.00 | 0.4 | 4.7 | | |
| 150 | THERMO FISHER SCIENTIFIC INC | 298.70 | 44,805.32 | 283.60 | 42,540.00 | 0.2 | 0.3 | | |
| 200 | UNITEDHEALTH GROUP INC | 242.88 | 48,575.30 | 249.38 | 49,876.00 | 0.2 | 1.7 | | |
| | | | 779,748.13 | | 790,060.50 | 3.9 | 2.4 | | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|-------------------------------|--|-----------|---------------------|--------|---------------------|-------------|------------|-----------------|----------|---------------|
| Financials | | | | | | | | | | |
| 400 | AMERICAN EXPRESS CO | 94.86 | 37,943.70 | 85.61 | 34,244.00 | 0.2 | 2.0 | | | |
| 1850 | AMERICAN INTERNATIONAL GROUP INC | 38.98 | 72,106.89 | 24.25 | 44,862.50 | 0.2 | 5.3 | | | |
| 4417 | BANK OF AMERICA CORP | 19.93 | 88,036.99 | 21.23 | 93,772.91 | 0.5 | 3.4 | | | |
| 1050 | BERKSHIRE HATHAWAY INC | 148.77 | 156,208.96 | 182.83 | 191,971.50 | 1.0 | 0.0 | | | |
| 50 | BLACKROCK INC | 403.59 | 20,179.35 | 439.97 | 21,998.50 | 0.1 | 3.3 | | | |
| 450 | CHUBB LIMITED | 136.79 | 61,557.25 | 111.69 | 50,260.50 | 0.2 | 2.7 | | | |
| 1180 | CITIGROUP INC | 53.68 | 63,338.87 | 42.12 | 49,701.60 | 0.2 | 4.8 | | | |
| 1100 | CITIZENS FINANCIAL GROUP INC | 36.50 | 40,144.72 | 18.81 | 20,691.00 | 0.1 | 8.3 | | | |
| 400 | GOLDMAN SACHS GROUP INC | 203.13 | 81,251.35 | 154.59 | 61,836.00 | 0.3 | 3.2 | | | |
| 450 | HANOVER INSURANCE GROUP | 134.44 | 60,496.97 | 90.58 | 40,761.00 | 0.2 | 2.9 | | | |
| 1500 | JP MORGAN CHASE & CO | 61.17 | 91,748.13 | 90.03 | 135,045.00 | 0.7 | 4.0 | | | |
| 650 | LINCOLN NATL CORP IND | 47.11 | 30,624.72 | 26.32 | 17,108.00 | 0.1 | 6.1 | | | |
| 550 | MASDAQ STK MKT INC | 90.90 | 49,993.95 | 94.95 | 52,222.50 | 0.3 | 0.9 | | | |
| 4550 | REGIONS FINANCIAL CORP | 13.04 | 59,319.45 | 8.97 | 40,813.50 | 0.2 | 6.9 | | | |
| 1100 | TRUIST FINANCIAL CORP | 43.05 | 47,356.93 | 30.84 | 33,924.00 | 0.2 | 5.8 | | | |
| 1550 | US BANCORP | 40.47 | 62,736.24 | 34.45 | 53,397.50 | 0.3 | 4.9 | | | |
| 2600 | WELLS FARGO CO | 48.64 | 126,461.59 | 28.70 | 74,620.00 | 0.4 | 7.1 | | | |
| | | | 1,149,506.06 | | 1,017,230.01 | 5.0 | 3.5 | | | |
| Information Technology | | | | | | | | | | |
| 1200 | CISCO SYS INC | 32.71 | 39,253.45 | 39.31 | 47,172.00 | 0.2 | 3.7 | | | |
| 2050 | CORNING INC | 24.09 | 49,389.26 | 20.54 | 42,107.00 | 0.2 | 4.3 | | | |
| 229 | DELL TECHNOLOGIES INC | 43.88 | 10,048.92 | 39.55 | 9,056.95 | 0.0 | 0.0 | | | |
| 208 | DXC TECHNOLOGY CO | 49.53 | 10,301.59 | 13.05 | 2,714.40 | 0.0 | 6.4 | | | |
| 400 | FIDELITY NATIONAL INFORMATION SERVICES | 117.07 | 46,826.08 | 121.64 | 48,656.00 | 0.2 | 1.2 | | | |
| 4500 | HEWLETT PACKARD ENTERPRISE CO | 13.45 | 60,507.51 | 9.71 | 43,695.00 | 0.2 | 4.9 | | | |
| 2600 | INTEL CORP | 27.00 | 70,212.19 | 54.12 | 140,712.00 | 0.7 | 2.4 | | | |
| 500 | MICRON TECHNOLOGY INC | 25.13 | 12,567.00 | 42.06 | 21,030.00 | 0.1 | 0.0 | | | |
| 450 | MICROSOFT CORP | 68.00 | 30,598.86 | 157.71 | 70,969.50 | 0.4 | 1.3 | | | |
| 650 | ORACLE CORP | 42.89 | 27,876.70 | 48.33 | 31,414.50 | 0.2 | 2.0 | | | |
| 129 | PERSPECTA INC | 17.41 | 2,245.96 | 18.24 | 2,352.96 | 0.0 | 1.3 | | | |
| 600 | SKYWORKS SOLUTIONS INC | 109.09 | 65,453.52 | 89.38 | 53,628.00 | 0.3 | 2.0 | | | |
| 400 | TEXAS INSTRUMENTS INC | 102.59 | 41,035.68 | 99.93 | 39,972.00 | 0.2 | 3.6 | | | |
| | | | 466,316.72 | | 553,480.31 | 2.7 | 2.5 | | | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|-------------------------------|---|-----------|---------------------|--------|---------------------|-------------|------------|-----------------|----------|---------------|
| Communication Services | | | | | | | | | | |
| 700 | ACTIVISION BLIZZARD INC | 54.84 | 38,384.78 | 59.48 | 41,636.00 | 0.2 | 2.8 | | | |
| 3850 | AT&T INC | 34.57 | 133,095.04 | 29.15 | 112,227.50 | 0.6 | 7.1 | | | |
| 1200 | COMCAST CORP | 37.97 | 45,558.68 | 34.38 | 41,256.00 | 0.2 | 2.7 | | | |
| 1550 | VERIZON COMMUNICATIONS INC | 54.05 | 83,776.17 | 53.73 | 83,281.50 | 0.4 | 4.6 | | | |
| 650 | WALT DISNEY CO | 120.53 | 78,343.06 | 96.60 | 62,790.00 | 0.3 | 1.8 | | | |
| | | | 379,157.73 | | 341,191.00 | 1.7 | 4.5 | | | |
| Utilities | | | | | | | | | | |
| 650 | AMERICAN ELEC PWR INC | 72.48 | 47,112.56 | 79.98 | 51,987.00 | 0.3 | 3.5 | | | |
| 700 | DUKE ENERGY CORP | 75.56 | 52,888.78 | 80.88 | 56,616.00 | 0.3 | 4.7 | | | |
| 1450 | EXELON CORP | 34.78 | 50,437.56 | 36.81 | 53,374.50 | 0.3 | 4.2 | | | |
| 200 | NEXTERA ENERGY INC | 206.47 | 41,293.05 | 240.62 | 48,124.00 | 0.2 | 2.3 | | | |
| | | | 191,731.95 | | 210,101.50 | 1.0 | 3.7 | | | |
| Real Estate | | | | | | | | | | |
| 450 | CROWN CASTLE INTERNATIONAL CORP | 132.92 | 59,812.02 | 144.40 | 64,980.00 | 0.3 | 3.3 | | | |
| 700 | PROLOGIS INC | 53.33 | 37,333.86 | 80.37 | 56,259.00 | 0.3 | 2.9 | | | |
| | | | 97,145.88 | | 121,239.00 | 0.6 | 3.1 | | | |
| | | | 5,207,443.91 | | 4,529,988.29 | 22.5 | 3.6 | | | |
| CORPORATE BONDS (USD) | | | | | | | | | | |
| 50000 | PINNACLE WEST CAP CORP SR NT | 99.94 | 49,968.50 | 99.49 | 49,745.50 | 0.2 | 2.3 | A3 | 2.250% | 11/30/20 |
| 30000 | SEMPRA ENERGY VR | 100.00 | 30,000.00 | 87.98 | 26,393.70 | 0.1 | 2.5 | Baa1 | 2.210% | 1/15/21 |
| 30000 | WELLS FARGO & CO | 101.11 | 30,332.40 | 100.45 | 30,134.70 | 0.1 | 3.0 | A2 | 3.000% | 1/22/21 |
| 50000 | MORGAN STANLEY | 99.66 | 49,832.00 | 100.38 | 50,190.50 | 0.2 | 2.5 | A3 | 2.500% | 4/21/21 |
| 50000 | CATERPILLAR INC | 107.24 | 53,618.00 | 102.39 | 51,196.50 | 0.3 | 3.8 | A3 | 3.900% | 5/27/21 |
| 55000 | BURLINGTON NORTH SANTA FE LLC SE BD CAL | 106.65 | 58,656.40 | 100.88 | 55,482.90 | 0.3 | 4.1 | A3 | 4.100% | 6/1/21 |
| 30000 | SUMITOMO MITSUI FINL GRP | 100.00 | 30,000.00 | 99.32 | 29,794.80 | 0.1 | 2.1 | A1 | 2.060% | 7/14/21 |
| 85000 | BANK OF MONTREAL | 99.81 | 84,839.35 | 100.33 | 85,278.80 | 0.4 | 1.9 | A2 | 1.900% | 8/27/21 |
| 55000 | AMERICAN HONDA FINANCE | 99.80 | 54,890.00 | 98.42 | 54,133.75 | 0.3 | 1.7 | A2 | 1.700% | 9/9/21 |
| 50000 | THOMAS & BETTS CORP | 115.91 | 57,957.50 | 105.15 | 52,573.00 | 0.3 | 5.3 | A2 | 5.630% | 11/15/21 |
| 50000 | ROPER TECHNOLOGIES INC | 99.84 | 49,921.50 | 100.14 | 50,069.00 | 0.2 | 2.8 | Baa2 | 2.800% | 12/15/21 |
| 38000 | ASTRAZENECA PLC | 99.84 | 37,939.96 | 100.58 | 38,219.64 | 0.2 | 2.4 | A3 | 2.800% | 6/12/22 |
| 50000 | CANADIAN IMPERIAL BK COMM SR NT | 100.58 | 50,288.50 | 101.08 | 50,541.00 | 0.3 | 2.5 | Aa2 | 2.550% | 6/16/22 |
| 50000 | PNC FINANCIAL SERVICES GROUP INC | 101.59 | 50,797.50 | 101.27 | 50,636.50 | 0.3 | 2.8 | A3 | 2.850% | 11/9/22 |
| 40000 | CHARLES SCHWAB CORP | 99.84 | 39,936.00 | 101.96 | 40,786.00 | 0.2 | 2.6 | A2 | 2.650% | 1/25/23 |
| 88000 | JPMORGAN CHASE & CO | 99.30 | 87,381.36 | 103.51 | 91,091.44 | 0.5 | 3.1 | A2 | 3.200% | 1/25/23 |
| 67000 | AMERICAN HONDA FINANCE | 100.00 | 67,000.00 | 92.36 | 61,881.87 | 0.3 | 2.2 | A2 | 2.050% | 5/10/23 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|----------|-------------------------------------|-----------|---------------------|--------|---------------------|-------------|------------|-----------------|------------|---------------|
| 50000 | ATHENE GLOBAL FUNDING | 100.78 | 50,392.50 | 99.97 | 49,987.50 | 0.2 | 2.8 | NR | 2.750% | 6/25/24 |
| 95000 | DELTA AIR LINES INC | 99.76 | 94,776.75 | 82.45 | 78,324.65 | 0.4 | 3.5 | Baa3 | 2.900% | 10/28/24 |
| 48000 | AFLAC INC | 105.24 | 50,515.20 | 105.46 | 50,620.80 | 0.3 | 3.4 | A3 | 3.630% | 11/15/24 |
| 60000 | FS KKR CAPITAL II | 100.00 | 60,000.00 | 80.79 | 48,474.00 | 0.2 | 5.3 | NR | 4.250% | 2/14/25 |
| 50000 | CARRIER GLOBAL CORP | 100.00 | 50,000.00 | 97.84 | 48,919.00 | 0.2 | 2.3 | Baa3 | 2.240% | 2/15/25 |
| 35000 | GLOBAL PAYMENTS INC | 99.97 | 34,991.25 | 101.33 | 35,465.85 | 0.2 | 2.6 | Baa3 | 2.650% | 2/15/25 |
| 50000 | AMPHENOL CORP | 99.83 | 49,914.50 | 95.01 | 47,505.00 | 0.2 | 2.2 | Baa1 | 2.050% | 3/1/25 |
| 15000 | EMERSON ELECTRIC CO | 99.68 | 14,952.60 | 102.21 | 15,332.25 | 0.1 | 3.1 | A2 | 3.150% | 6/1/25 |
| 90000 | NORTHERN TRUST CORP | 104.64 | 94,176.90 | 105.48 | 94,934.70 | 0.5 | 3.7 | A2 | 3.950% | 10/30/25 |
| 30000 | STATE STREET CORP | 100.00 | 30,000.00 | 98.21 | 29,463.90 | 0.1 | 2.4 | A1 | 2.350% | 11/1/25 |
| 54000 | BANK OF AMERICA CORP | 100.00 | 54,000.00 | 97.81 | 52,819.02 | 0.3 | 2.1 | A2 | 2.020% | 2/13/26 |
| 30000 | DISCOVERY COMMUNICATIONS | 105.04 | 31,511.40 | 102.04 | 30,612.90 | 0.2 | 4.8 | Baa3 | 4.900% | 3/11/26 |
| 30000 | LOWES COS INC | 99.54 | 29,863.20 | 98.80 | 29,640.60 | 0.1 | 2.5 | Baa1 | 2.500% | 4/15/26 |
| 75000 | WELLS FARGO & CO | 105.20 | 78,900.00 | 105.85 | 79,391.25 | 0.4 | 3.9 | A3 | 4.100% | 6/3/26 |
| 55000 | SUMITOMO MITSUI FINANCIAL GROUP INC | 100.00 | 55,000.00 | 100.08 | 55,042.90 | 0.3 | 2.6 | A1 | 2.630% | 7/14/26 |
| 38000 | VERIZON COMMUNICATIONS INC | 99.74 | 37,993.10 | 103.37 | 39,282.12 | 0.2 | 2.5 | Baa1 | 2.630% | 8/15/26 |
| 20000 | NORTHROP GRUMMAN CORP | 99.84 | 19,967.80 | 103.21 | 20,641.80 | 0.1 | 3.1 | Baa2 | 3.200% | 2/1/27 |
| 25000 | HOME BANCSHARES INC | 104.75 | 26,187.50 | 91.00 | 22,750.00 | 0.1 | 6.2 | NR | 5.630% | 4/15/27 |
| 70000 | BANCORP SOUTH | 100.00 | 70,000.00 | 96.22 | 67,351.20 | 0.3 | 4.3 | Baa2 | 4.130% | 11/20/29 |
| 25000 | TRILUMP BANCORP INC | 100.00 | 25,000.00 | 102.39 | 25,596.90 | 0.1 | 4.8 | NR | 4.880% | 11/27/29 |
| 50000 | MANULIFE FINANCIAL CORP | 123.80 | 50,000.00 | 113.00 | 56,502.00 | 0.3 | 3.6 | NR | 4.060% | 2/24/32 |
| 21000 | FIRST UNION CORP | 100.00 | 25,997.37 | 145.13 | 30,476.67 | 0.2 | 4.5 | A3 | 6.550% | 10/15/35 |
| 50000 | JOHNSON AND JOHNSON SR BND CALL | 99.70 | 49,851.50 | 114.19 | 57,094.00 | 0.3 | 3.0 | Aaa | 3.400% | 1/15/38 |
| 10000 | DOMINION ENERGY GAS HOLDINGS LLC | 108.64 | 10,864.10 | 96.70 | 9,669.80 | 0.0 | 4.8 | Baa1 | 4.600% | 12/15/44 |
| 50000 | APPLE INC | 109.89 | 54,943.50 | 128.80 | 64,399.50 | 0.3 | 3.4 | Aa1 | 4.380% | 5/13/45 |
| 10000 | MANULIFE FINANCIAL CORP SR BD | 99.64 | 9,964.50 | 121.76 | 12,176.10 | 0.1 | 4.4 | NR | 5.380% | 3/15/46 |
| 9000 | DUKE ENERGY CAROLINAS LLC | 99.65 | 8,968.23 | 110.35 | 9,931.23 | 0.0 | 3.5 | Aa2 | 3.880% | 3/15/46 |
| 43000 | LOWES COS INC | 99.44 | 42,760.92 | 97.25 | 41,819.22 | 0.2 | 3.8 | Baa1 | 3.700% | 4/15/46 |
| 20000 | SAN DIEGO GAS & ELECTRIC CO | 99.55 | 19,910.80 | 107.09 | 21,417.60 | 0.1 | 3.5 | A2 | 3.750% | 6/1/47 |
| 25000 | MARTIN MARIETTA MATERIALS INC | 99.68 | 24,920.25 | 100.20 | 25,051.25 | 0.1 | 4.2 | Baa3 | 4.250% | 12/15/47 |
| 37000 | COMMONSPIRIT HEALTH | 100.00 | 37,000.00 | 101.90 | 37,704.11 | 0.2 | 3.7 | A2 | 3.820% | 10/1/49 |
| 31000 | UNUM GROUP | 99.99 | 30,996.90 | 77.42 | 24,000.82 | 0.1 | 5.8 | Baa2 | 4.500% | 12/15/49 |
| 94000 | KKR GROUP FINANCE CO VII | 99.47 | 93,505.56 | 83.72 | 78,693.98 | 0.4 | 4.3 | NR | 3.630% | 2/25/50 |
| 70000 | CARRIER GLOBAL CORP | 100.00 | 69,997.20 | 88.93 | 62,249.60 | 0.3 | 4.0 | Baa3 | 3.580% | 4/5/50 |
| 50000 | INTEL CORP | 99.34 | 49,670.50 | 105.01 | 52,503.50 | 0.3 | 3.0 | A1 | 3.100% | 2/15/60 |
| | Accrued Interest | | | | 10,204.68 | 0.1 | | | | |
| | | | 2,420,763.00 | | 2,384,200.00 | 11.8 | | | 3.3 | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|--|---|-----------|-------------------|-------------------|--------------|-------------|------------|-----------------|----------|---------------|
| MUNICIPAL BONDS (USD) | | | | | | | | | | |
| 50000 | WASHINGTON ST | 109.51 | 54,754.50 | 107.71 | 53,857.50 | 0.3 | 4.3 | Aaa | 4.640% | 8/1/22 |
| 30000 | UNIV OF NC CHAPEL HIL | 101.04 | 30,312.00 | 101.77 | 30,532.20 | 0.2 | 2.0 | Aaa | 2.000% | 12/1/22 |
| 30000 | SAN FRANCISCO CA CITY & CNTY PUB UTILS | 100.00 | 30,000.00 | 101.42 | 30,425.40 | 0.2 | 3.6 | Aa2 | 3.700% | 11/1/32 |
| 50000 | NEW YORK N Y | 111.97 | 55,983.00 | 100.00 | 50,000.00 | 0.2 | 5.7 | Aa1 | 5.680% | 10/1/34 |
| 8000 | METRO GOVT NASH & DAVID CNTY TN WTR & : | 134.47 | 10,757.28 | 142.39 | 11,390.96 | 0.1 | 4.6 | Aa2 | 6.570% | 7/1/37 |
| 55000 | SAN FRANCISCO CALIF CITY & CNTY CMNTY | 97.21 | 53,466.05 | 106.46 | 58,554.10 | 0.3 | 3.5 | NR | 3.750% | 9/1/37 |
| 55000 | NEW YORK CITY NY TRANS | 111.37 | 61,252.95 | 100.39 | 55,214.50 | 0.3 | 6.2 | Aa1 | 6.270% | 8/1/39 |
| 15000 | VIRGINIA PORT AUTH PORT FAC | 100.00 | 15,000.00 | 106.96 | 16,044.15 | 0.1 | 4.2 | A1 | 4.480% | 7/1/45 |
| 40000 | TEXAS ST A & M UNIV PERMI UNIV FUND REV | 100.00 | 40,000.00 | 100.34 | 40,136.40 | 0.2 | 3.1 | Aaa | 3.100% | 7/1/49 |
| | Accrued Interest | | | | 932.70 | 0.0 | | | | |
| GOVERNMENT BONDS (USD) | | | | | | | | | | |
| 3000 | US TREASURY N/B | 99.56 | 2,986.89 | 103.71 | 3,111.21 | 0.0 | 1.7 | Aaa | 1.750% | 9/30/22 |
| 15000 | US TREASURY N/B | 94.48 | 14,172.66 | 135.42 | 20,313.28 | 0.1 | 2.2 | Aaa | 3.000% | 11/15/44 |
| 50000 | US TREASURY N/B | 111.21 | 55,603.52 | 136.10 | 68,050.78 | 0.3 | 2.2 | Aaa | 3.000% | 5/15/45 |
| | Accrued Interest | | | | 733.93 | 0.0 | | | | |
| GOVERNMENT SPONSORED BOND (USD) | | | | | | | | | | |
| 100000 | FECB | 99.87 | 99,870.00 | 100.01 | 100,012.00 | 0.5 | 1.6 | Aaa | 1.620% | 2/10/22 |
| 55000 | FHLB | 129.94 | 71,468.10 | 127.59 | 70,175.60 | 0.3 | 4.5 | Aaa | 5.750% | 6/12/26 |
| 80000 | MANITOBA PROV OF | 99.14 | 79,314.40 | 106.75 | 85,396.80 | 0.4 | 2.0 | Aa2 | 2.130% | 6/22/26 |
| 14000 | FNMA | 136.06 | 19,049.10 | 157.92 | 22,109.22 | 0.1 | 3.6 | Aaa | 5.630% | 7/15/37 |
| 37000 | TENNESSEE VALLEY AUTH | 137.08 | 50,719.08 | 181.03 | 66,979.99 | 0.3 | 3.0 | Aaa | 5.380% | 4/1/56 |
| | Accrued Interest | | | | 2,815.16 | 0.0 | | | | |
| MORTGAGE POOLS (USD) | | | | | | | | | | |
| 141,48 | FNMA 829053 | 97.00 | 137.24 | 100.04 | 141.53 | 0.0 | 4.0 | Aaa | 4.000% | 8/25/20 |
| 4.15 | FGCI N #G12208 | 92.56 | 3.84 | 100.39 | 4.17 | 0.0 | 4.0 | Aaa | 4.000% | 2/15/21 |
| 66892.57 | GN 723256 | 102.56 | 68,602.01 | 105.36 | 70,477.59 | 0.3 | 3.8 | Aaa | 4.000% | 9/15/24 |
| 60000 | FHMS KBX1 A1 | 99.69 | 59,812.50 | 105.32 | 63,189.84 | 0.3 | 2.8 | Aaa | 2.920% | 9/25/24 |
| 29653.88 | FHMS KJ17 A1 | 100.00 | 29,653.79 | 103.06 | 30,560.87 | 0.2 | 2.3 | Aaa | 2.400% | 10/25/24 |
| 22922.45 | FN AD4398 | 106.25 | 24,355.10 | 105.46 | 24,175.13 | 0.1 | 3.8 | Aaa | 4.000% | 6/1/25 |
| 50000 | FHMS KJ 17 A2 | 102.00 | 50,999.85 | 106.11 | 53,054.69 | 0.3 | 2.8 | Aaa | 2.980% | 11/25/25 |
| 100000 | FHMS KCO3 A2 | 102.01 | 102,011.50 | 108.82 | 108,824.22 | 0.5 | 3.2 | Aaa | 3.500% | 1/25/26 |
| 50000 | FHMS KGO1 A7 | 103.00 | 51,498.05 | 107.18 | 53,587.89 | 0.3 | 2.7 | Aaa | 2.880% | 4/25/26 |
| 90891.98 | FHMS KO68 A1 | 102.00 | 92,709.09 | 104.92 | 95,365.57 | 0.5 | 2.8 | Aaa | 2.950% | 2/25/27 |
| 46780.85 | FHMS KO70 A1 | 102.00 | 47,715.53 | 105.44 | 49,324.56 | 0.2 | 2.9 | Aaa | 3.030% | 4/25/27 |
| | | | 320,420.68 | 347,488.77 | | 1.7 | 2.7 | | | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|-----------|-----------------|-----------|------------|--------|--------------|-------------|------------|-----------------|----------|---------------|
| 39576.4 | FN MA030 | 100.00 | 39,576.40 | 105.03 | 41,566.04 | 0.2 | 2.9 | Aaa | 3.000% | 6/1/27 |
| 102000 | FHMS K068 A2 | 103.00 | 105,056.63 | 111.49 | 113,722.03 | 0.6 | 2.9 | Aaa | 3.240% | 8/25/27 |
| 55000 | FHMS K070 A2 | 103.00 | 56,649.12 | 112.00 | 61,600.00 | 0.3 | 2.9 | Aaa | 3.300% | 11/25/27 |
| 19834.53 | SBIC 2018-10A 1 | 99.78 | 19,791.14 | 106.37 | 21,097.43 | 0.1 | 3.0 | Aaa | 3.190% | 3/10/28 |
| 60000 | FN AN9038 | 100.66 | 60,393.75 | 112.96 | 67,778.91 | 0.3 | 3.1 | Aaa | 3.460% | 5/1/28 |
| 90000 | FN AN9354 | 102.44 | 92,193.75 | 114.61 | 103,144.92 | 0.5 | 3.2 | Aaa | 3.640% | 6/25/28 |
| 18160.03 | FN MA1554 | 98.25 | 17,842.23 | 104.91 | 19,051.01 | 0.1 | 2.9 | Aaa | 3.000% | 8/25/28 |
| 45000 | FN 109515 | 104.34 | 46,954.69 | 114.87 | 51,691.99 | 0.3 | 3.5 | Aaa | 3.990% | 9/1/28 |
| 70000 | FN 387873 | 102.66 | 71,859.38 | 115.48 | 80,836.33 | 0.4 | 3.2 | Aaa | 3.750% | 11/1/28 |
| 111000 | FN BL0484 | 105.99 | 117,651.33 | 117.55 | 130,477.03 | 0.6 | 3.6 | Aaa | 4.220% | 11/1/28 |
| 55000 | FHMS K088 A2 | 103.00 | 56,647.58 | 114.67 | 63,069.53 | 0.3 | 3.2 | Aaa | 3.690% | 1/25/29 |
| 25000 | FHLMC MIF K601 | 103.00 | 25,749.63 | 108.69 | 27,171.87 | 0.1 | 2.7 | Aaa | 2.940% | 4/25/29 |
| 20481.92 | FN AX8478 | 98.52 | 20,177.89 | 105.18 | 21,543.62 | 0.1 | 2.9 | Aaa | 3.000% | 11/25/29 |
| 37342.48 | FG J34676 | 105.50 | 39,396.32 | 105.18 | 39,275.25 | 0.2 | 2.9 | Aaa | 3.000% | 7/1/31 |
| 52020.68 | FN A57986 | 102.31 | 53,222.16 | 103.97 | 54,085.25 | 0.3 | 2.4 | Aaa | 2.500% | 9/1/31 |
| 27540.38 | FG G30701 | 111.00 | 30,569.82 | 109.00 | 30,017.94 | 0.1 | 4.6 | Aaa | 5.000% | 11/1/31 |
| 39521.6 | FN MA0976 | 99.66 | 39,385.74 | 106.35 | 42,030.30 | 0.2 | 3.3 | Aaa | 3.500% | 2/25/32 |
| 3332.72 | GN S82153 | 102.88 | 3,428.80 | 114.25 | 3,807.63 | 0.0 | 5.3 | Aaa | 6.000% | 6/15/32 |
| 22441.88 | FN MA1275 | 97.69 | 21,922.91 | 105.70 | 23,720.02 | 0.1 | 2.8 | Aaa | 3.000% | 12/1/32 |
| 20408.28 | FN A06290 | 97.38 | 19,872.56 | 105.70 | 21,570.60 | 0.1 | 2.8 | Aaa | 3.000% | 1/25/33 |
| 212718.55 | FN MA1314 | 100.00 | 212,718.55 | 104.60 | 222,498.62 | 1.1 | 2.4 | Aaa | 2.500% | 4/20/36 |
| 20050.59 | GNR 2006-17 HD | 107.56 | 21,565.52 | 119.03 | 23,866.47 | 0.1 | 5.0 | Aaa | 6.000% | 8/1/36 |
| 8220.12 | FG G02268 | 102.08 | 8,390.97 | 120.00 | 9,863.82 | 0.0 | 5.4 | Aaa | 6.500% | 8/15/36 |
| 23791.76 | GN 782119 | 107.08 | 25,475.77 | 117.51 | 27,958.11 | 0.1 | 5.1 | Aaa | 6.000% | 9/1/36 |
| 3837.46 | FN 256394 | 102.00 | 3,914.21 | 119.64 | 4,591.16 | 0.0 | 5.4 | Aaa | 6.500% | 8/15/36 |
| 92500.78 | FNR 2007-17 FD | 99.78 | 92,298.43 | 99.05 | 91,619.13 | 0.5 | 2.1 | Aaa | 2.080% | 3/25/37 |
| 15000 | FNR 2017 134VD | 99.50 | 14,925.00 | 108.61 | 16,290.82 | 0.1 | 2.8 | Aaa | 3.000% | 4/20/38 |
| 1537.489 | FN 889579 | 109.39 | 1,681.87 | 116.50 | 1,791.11 | 0.0 | 5.2 | Aaa | 6.000% | 5/1/38 |
| 1770.542 | GNMA 4195 | 99.89 | 1,768.60 | 116.25 | 2,058.32 | 0.0 | 5.2 | Aaa | 6.000% | 7/20/38 |
| 20636.37 | G2 4285 | 105.50 | 21,771.37 | 109.29 | 22,554.10 | 0.1 | 5.5 | Aaa | 6.000% | 11/20/38 |
| 4424.091 | GNMA 4447 | 104.81 | 4,637.00 | 112.59 | 4,981.08 | 0.0 | 4.4 | Aaa | 5.000% | 5/20/39 |
| 17478.03 | G2 4496 | 109.58 | 19,152.09 | 112.59 | 19,678.49 | 0.1 | 4.4 | Aaa | 5.000% | 7/20/39 |
| 23609.18 | FNR 2009-67 LB | 104.31 | 24,627.33 | 110.74 | 26,145.32 | 0.1 | 4.5 | Aaa | 5.000% | 8/25/39 |
| 28542.76 | FHR 4667 DA | 103.70 | 29,599.73 | 101.94 | 29,095.78 | 0.1 | 3.4 | Aaa | 3.500% | 6/15/41 |
| 108386.74 | FNR 2013-12 P | 98.28 | 106,523.84 | 100.45 | 108,869.40 | 0.5 | 1.7 | Aaa | 1.750% | 11/25/41 |
| 17104.54 | FNR 2012 110KU | 99.00 | 16,993.49 | 103.15 | 17,643.73 | 0.1 | 2.9 | Aaa | 3.000% | 3/20/42 |
| 17963.23 | GNR 2012-43 UA | 98.22 | 17,643.88 | 98.67 | 17,724.66 | 0.1 | 2.0 | Aaa | 2.000% | 4/16/42 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|----------|------------------|-----------|----------------------|--------|----------------------|-------------|------------|-----------------|----------|---------------|
| 53000 | FNR 2012-47 KG | 99.89 | 52,941.06 | 102.42 | 54,281.52 | 0.3 | 3.4 | Aaa | 3.500% | 4/25/42 |
| 46612.15 | FN MA 3024 | 102.16 | 47,617.22 | 105.35 | 49,106.63 | 0.2 | 3.3 | Aaa | 3.500% | 6/1/42 |
| 4318.45 | GNR 2012-96 WA | 95.00 | 4,102.53 | 98.21 | 4,241.02 | 0.0 | 2.0 | Aaa | 2.000% | 6/20/42 |
| 39776.8 | FHR 4144 P | 100.00 | 39,776.80 | 102.80 | 40,890.86 | 0.2 | 2.4 | Aaa | 2.500% | 12/15/42 |
| 42417.23 | FHR 4863 LA | 101.34 | 42,987.21 | 102.57 | 43,507.49 | 0.2 | 3.9 | Aaa | 4.000% | 2/15/43 |
| 31903.6 | GNR 2013-137 HE | 101.12 | 32,262.51 | 103.18 | 32,916.79 | 0.2 | 2.9 | Aaa | 3.000% | 6/20/43 |
| 15806.93 | FN 2017 13 CA | 100.09 | 15,821.79 | 101.54 | 16,050.21 | 0.1 | 2.5 | Aaa | 2.500% | 10/25/43 |
| 16327.83 | FN 2015 2PA | 98.92 | 16,151.79 | 103.04 | 16,824.68 | 0.1 | 2.2 | Aaa | 2.250% | 3/25/44 |
| 12488.55 | FHR 4832 DA | 103.17 | 12,884.67 | 103.12 | 12,878.33 | 0.1 | 4.4 | Aaa | 4.500% | 11/15/44 |
| 45790.34 | FNR 2016 31 PC | 97.45 | 44,622.33 | 106.67 | 48,843.63 | 0.2 | 2.8 | Aaa | 3.000% | 3/25/45 |
| 28963.09 | FN AZ9229 | 100.39 | 29,076.22 | 107.28 | 31,070.83 | 0.2 | 3.7 | Aaa | 4.000% | 10/25/45 |
| 37437.11 | GNR 2016-104 MA | 102.62 | 38,419.83 | 103.43 | 38,719.62 | 0.2 | 2.9 | Aaa | 3.000% | 11/20/45 |
| 28674.31 | FHR 4546 TH | 95.41 | 27,357.08 | 103.15 | 29,577.59 | 0.1 | 2.4 | Aaa | 2.500% | 12/15/45 |
| 49042.12 | GNR 2017 59P | 98.57 | 48,341.14 | 103.15 | 46,775.62 | 0.2 | 2.8 | Aaa | 3.000% | 4/20/46 |
| 44365.01 | G2 MA3725 | 98.06 | 43,505.44 | 105.43 | 46,775.62 | 0.2 | 2.9 | Aaa | 3.000% | 6/20/46 |
| 41174.48 | FN MA2743 | 101.31 | 41,714.89 | 104.13 | 42,874.54 | 0.2 | 2.9 | Aaa | 3.000% | 9/25/46 |
| 52331.59 | FN MA2777 | 94.50 | 49,453.35 | 104.13 | 54,492.31 | 0.3 | 2.9 | Aaa | 3.000% | 10/25/46 |
| 30000 | FNR 2017-55 HW | 93.47 | 28,040.63 | 104.19 | 31,257.42 | 0.2 | 2.9 | Aaa | 3.000% | 11/25/46 |
| 15512.45 | FN BE2951 | 101.81 | 15,793.61 | 105.14 | 16,309.89 | 0.1 | 2.9 | Aaa | 3.000% | 1/25/47 |
| 36593.28 | GN AX6217 | 99.89 | 36,552.59 | 104.56 | 38,262.85 | 0.2 | 2.6 | Aaa | 2.750% | 2/15/47 |
| 18877.87 | GN BB3335 | 99.56 | 18,793.96 | 103.52 | 19,543.02 | 0.1 | 2.7 | Aaa | 2.750% | 2/15/47 |
| 19569.33 | FHR 4682 LD | 96.25 | 18,835.48 | 103.73 | 20,300.12 | 0.1 | 2.7 | Aaa | 2.750% | 5/15/47 |
| 27701.89 | FNR 2018 69 PA | 99.72 | 27,623.98 | 102.07 | 28,275.41 | 0.1 | 3.4 | Aaa | 3.500% | 6/20/47 |
| 25613.23 | GNR 2017 99IE | 100.31 | 25,693.27 | 105.25 | 26,956.92 | 0.1 | 2.6 | Aaa | 2.750% | 7/15/47 |
| 18373.16 | FHR 4713 YH | 93.94 | 17,259.29 | 102.96 | 18,917.18 | 0.1 | 2.4 | Aaa | 2.500% | 9/20/47 |
| 84807.58 | GNR 2017 134PT | 98.31 | 83,376.46 | 104.95 | 89,004.63 | 0.4 | 2.4 | Aaa | 2.500% | 10/1/47 |
| 18538.01 | FG T65441 | 98.94 | 18,341.04 | 104.60 | 19,391.05 | 0.1 | 2.9 | Aaa | 3.000% | 10/1/47 |
| 47653.82 | GNR 2018-115 BP | 98.34 | 47,147.50 | 104.58 | 49,835.47 | 0.2 | 3.3 | Aaa | 3.500% | 11/20/47 |
| 30000 | FNR 2018 1 HB | 96.34 | 28,903.13 | 106.39 | 31,916.02 | 0.2 | 2.3 | Aaa | 2.500% | 1/20/48 |
| 20000 | FNR 2018 59D | 94.75 | 18,950.00 | 105.78 | 21,155.47 | 0.1 | 2.8 | Aaa | 3.000% | 4/20/48 |
| 25000 | GNMA 104PC | 100.50 | 25,125.00 | 111.70 | 27,924.80 | 0.1 | 3.1 | Aaa | 3.500% | 7/20/48 |
| 61000 | GNR 2019-133 EB | 92.50 | 56,425.00 | 101.85 | 62,127.07 | 0.3 | 2.0 | Aaa | 2.000% | 4/20/49 |
| 69936.44 | GNR 2019-162 GA | 100.75 | 70,460.96 | 106.79 | 74,684.47 | 0.4 | 2.8 | Aaa | 3.000% | 10/20/49 |
| 30000 | GNR 2012-123 B | 94.25 | 28,275.00 | 103.75 | 31,125.00 | 0.2 | 2.3 | Aaa | 2.430% | 12/16/51 |
| | Accrued Interest | | | | 8,345.07 | 0.0 | | | | |
| | | | 3,242,100.77 | | 3,442,163.57 | 17.1 | 3.0 | | | |
| | | | 11,797,949.83 | | 11,326,070.37 | 56.1 | 3.3 | | | |

Surtside Pension Trust Fund

Period Ending 3/31/2020

Portfolio Holdings

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield | Moody's Ratings | Coupon % | Maturity Date |
|----------------------------------|----------------------------------|-----------|----------------------|-------|----------------------|--------------|------------|-----------------|----------|---------------|
| UNSUPERVISED ASSETS (USD) | | | | | | | | | | |
| Bonds ETF | | | | | | | | | | |
| 18184 | ISHARES CONVERTIBLE BOND ETF | 59.26 | 1,077,647.48 | 54.36 | 988,482.24 | 4.9 | 1.8 | | | |
| Equitys ETF | | | | | | | | | | |
| 21000 | SCHWAB US REIT ETF | 40.35 | 847,289.10 | 32.74 | 687,540.00 | 3.4 | 3.8 | | | |
| 43131.034 | AMERICAN EUROPACIFIC GROWTH FUND | 47.59 | 2,052,499.14 | 43.09 | 1,858,516.26 | 9.2 | 1.6 | | | |
| | | | 3,977,435.72 | | 3,534,538.50 | 17.5 | 2.1 | | | |
| Mutual Fund Unsupervised (USD) | | | | | | | | | | |
| Mutual Fund | | | | | | | | | | |
| 39549.158 | FIDELITY 500 INDEX FUND | 87.28 | 3,451,673.70 | 90.07 | 3,562,192.66 | 17.7 | 3.3 | | | |
| 53331.98 | FIDELITY MID CAP INDX-INS PR | 22.01 | 1,173,851.95 | 17.24 | 919,443.34 | 4.6 | 1.5 | | | |
| 57281.729 | FIDELITY SML CAP INDX | 19.24 | 1,101,937.39 | 14.59 | 835,740.43 | 4.1 | 1.4 | | | |
| | | | 5,727,463.04 | | 5,317,376.42 | 26.4 | 2.7 | | | |
| | | | 5,727,463.04 | | 5,317,376.42 | 26.4 | 2.7 | | | |
| | | | 9,704,898.76 | | 8,851,914.92 | 43.9 | 2.5 | | | |
| TOTAL PORTFOLIO | | | 21,502,848.59 | | 20,177,985.28 | 100.0 | 2.9 | | | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Purchases

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|---------------------------|-------------|------------|---|------------|-------------------|-------------|---------------|
| BAC | | | | | | | |
| 1/21/20 | 1/24/20 | 500,000.00 | BANK OF AMERICA CORP 4.300% Due 01-28-25 | 100.00 | 500,000.00 | 0.00 | 0.00 |
| 2/10/20 | 2/13/20 | 54,000.00 | BANK OF AMERICA CORP 2.015% Due 02-13-26 | 100.00 | 54,000.00 | 0.00 | 0.00 |
| | | | | | 554,000.00 | 0.00 | 0.00 |
| BANK OF AMERICA BB | | | | | | | |
| 2/13/20 | 2/20/20 | 50,000.00 | AMPHENOL CORP 2.050% Due 03-01-25 | 99.83 | 49,914.50 | 0.00 | 0.00 |
| BARCLAYS-EQ | | | | | | | |
| 3/26/20 | 3/30/20 | 50.00 | AMERICAN EXPRESS CO | 98.20 | 4,910.00 | 0.04 | 2.00 |
| 3/17/20 | 3/19/20 | 450.00 | AMERICAN INTERNATIONAL GROUP INC | 21.23 | 9,552.33 | 0.04 | 18.00 |
| 3/26/20 | 3/30/20 | 200.00 | BERKSHIRE HATHAWAY INC | 182.70 | 36,541.00 | 0.04 | 8.00 |
| 3/26/20 | 3/30/20 | 100.00 | CHUBB LIMITED | 106.41 | 10,641.00 | 0.04 | 4.00 |
| 3/26/20 | 3/30/20 | 550.00 | CORNING INC | 20.36 | 11,196.02 | 0.04 | 22.00 |
| 3/26/20 | 3/30/20 | 150.00 | CVS HEALTH CORPORATION | 53.92 | 8,088.00 | 0.04 | 6.00 |
| 3/26/20 | 3/30/20 | 50.00 | DOW INC | 30.14 | 1,507.00 | 0.04 | 2.00 |
| 3/26/20 | 3/30/20 | 50.00 | DXC TECHNOLOGY CO | 15.59 | 779.50 | 0.04 | 2.00 |
| 3/26/20 | 3/30/20 | 150.00 | GENERAL MOTORS CO | 22.51 | 3,376.50 | 0.04 | 6.00 |
| 2/25/20 | 2/27/20 | 100.00 | HANDOVER INSURANCE GROUP | 130.95 | 13,094.91 | 0.04 | 4.00 |
| 3/26/20 | 3/30/20 | 50.00 | JP MORGAN CHASE & CO | 96.52 | 4,826.00 | 0.04 | 2.00 |
| 2/14/20 | 2/19/20 | 300.00 | LABRATORY CORPORATION OF AMERICA | 195.11 | 58,533.06 | 0.04 | 12.00 |
| 3/26/20 | 3/30/20 | 150.00 | LINCOLN NATL CORP IND | 26.82 | 4,023.00 | 0.04 | 6.00 |
| 3/26/20 | 3/30/20 | 50.00 | MICROSOFT CORP | 153.31 | 7,665.42 | 0.04 | 2.00 |
| 2/20/20 | 2/24/20 | 50.00 | NEXTERA ENERGY INC | 274.31 | 13,715.50 | 0.04 | 2.00 |
| 3/26/20 | 3/30/20 | 50.00 | NORFOLK SOUTHERN CORP | 144.88 | 7,244.00 | 0.04 | 2.00 |
| 3/26/20 | 3/30/20 | 100.00 | ORACLE CORP | 48.76 | 4,876.00 | 0.04 | 4.00 |
| 3/26/20 | 3/30/20 | 50.00 | PEPSICO INC | 114.16 | 5,708.00 | 0.04 | 2.00 |
| 3/26/20 | 3/30/20 | 200.00 | PHILLIPS 66 | 54.63 | 10,926.50 | 0.04 | 8.00 |
| 3/26/20 | 3/30/20 | 150.00 | SCHLUMBERGER LTD | 15.30 | 2,295.00 | 0.04 | 6.00 |
| 3/20/20 | 3/24/20 | 400.00 | TEXAS INSTRUMENTS INC | 102.59 | 41,035.68 | 0.04 | 16.00 |
| 1/16/20 | 1/21/20 | 550.00 | TRUIST FINANCIAL CORP | 55.77 | 30,672.68 | 0.04 | 22.00 |
| 3/2/20 | 3/4/20 | 50.00 | UNITED AIRLINES HOLDINGS INC | 58.65 | 2,932.43 | 0.04 | 2.00 |
| 1/15/20 | 1/17/20 | 400.00 | WELLS FARGO CO | 48.49 | 19,394.52 | 0.04 | 16.00 |
| 3/26/20 | 3/30/20 | 300.00 | WELLS FARGO CO | 29.98 | 8,994.00 | 0.04 | 12.00 |
| | | | | | 322,528.05 | 0.04 | 188.00 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Purchases

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|----------------------|-------------|-----------|--------------------------|------------|-------------------|-------------|-------------|
| CITICORP | | | | | | | |
| 2/18/20 | 2/25/20 | 94,000.00 | KKR GROUP FINANCE CO VII | 99.47 | 93,505.56 | 0.00 | 0.00 |
| | | | 3.625% Due 02-25-50 | | | | |
| FTN FINANCIAL | | | | | | | |
| 1/24/20 | 1/29/20 | 49,594.29 | FHR 4863 LA | 101.34 | 50,260.71 | 0.00 | 0.00 |
| | | | 4.000% Due 02-15-43 | | | | |
| 1/3/20 | 1/14/20 | 15,751.30 | FN BE2951 | 101.81 | 16,036.79 | 0.00 | 0.00 |
| | | | 3.000% Due 01-25-47 | | | | |
| 2/28/20 | 3/4/20 | 92,930.40 | FNR 2007-17 FD | 99.78 | 92,727.11 | 0.00 | 0.00 |
| | | | 2.077% Due 03-25-37 | | | | |
| 2/17/20 | 2/12/20 | 30,000.00 | GNR 2012-123 B | 94.25 | 28,275.00 | 0.00 | 0.00 |
| | | | 2.426% Due 12-16-51 | | | | |
| 3/5/20 | 3/10/20 | 37,437.11 | GNR 2016-104 MA | 102.62 | 38,419.83 | 0.00 | 0.00 |
| | | | 3.000% Due 11-20-45 | | | | |
| 1/3/20 | 1/8/20 | 61,000.00 | GNR 2019-133 EB | 92.50 | 56,425.00 | 0.00 | 0.00 |
| | | | 2.000% Due 04-20-49 | | | | |
| 2/25/20 | 2/28/20 | 84,115.73 | GNR 2019-162 GA | 100.75 | 84,746.60 | 0.00 | 0.00 |
| | | | 3.000% Due 10-20-49 | | | | |
| | | | | | 366,891.04 | 0.00 | 0.00 |
| GS | | | | | | | |
| 2/13/20 | 2/27/20 | 70,000.00 | CARRIER GLOBAL CORP | 100.00 | 69,997.20 | 0.00 | 0.00 |
| | | | 3.577% Due 04-05-50 | | | | |
| 2/11/20 | 2/14/20 | 60,000.00 | FS KKR CAPITAL II | 100.00 | 60,000.00 | 0.00 | 0.00 |
| | | | 4.250% Due 02-14-25 | | | | |
| 2/10/20 | 2/13/20 | 50,000.00 | INTEL CORP | 99.34 | 49,670.50 | 0.00 | 0.00 |
| | | | 3.100% Due 02-15-60 | | | | |
| 1/28/20 | 2/4/20 | 50,000.00 | NVU HOSPITALS CENTER | 100.00 | 50,000.00 | 0.00 | 0.00 |
| | | | 3.380% Due 07-01-55 | | | | |
| | | | | | 229,667.70 | 0.00 | 0.00 |
| Jones Trading | | | | | | | |
| 2/26/20 | 2/28/20 | 650.00 | DOMINION ENERGY INC | 87.55 | 56,904.71 | 0.01 | 6.50 |
| 3/10/20 | 3/12/20 | 400.00 | HONEYWELL INTL INC | 154.53 | 61,811.32 | 0.01 | 4.00 |
| 3/5/20 | 3/9/20 | 400.00 | JOHNSON & JOHNSON | 140.50 | 56,200.36 | 0.01 | 4.00 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Purchases

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|---------------------------------|-------------|-----------|--------------------------------------|------------|-------------------|-------------|--------------|
| 3/12/20 | 3/16/20 | 500.00 | NASDAQ STK MKT INC | 90.71 | 45,354.95 | 0.01 | 5.00 |
| 3/13/20 | 3/17/20 | 200.00 | NORTHROP GRUMMAN CORP | 293.21 | 58,642.94 | 0.01 | 2.00 |
| 3/10/20 | 3/12/20 | 150.00 | THERMO FISHER SCIENTIFIC INC | 298.70 | 44,805.32 | 0.01 | 1.50 |
| 3/12/20 | 3/16/20 | 550.00 | TRUIST FINANCIAL CORP | 30.33 | 16,684.25 | 0.01 | 5.50 |
| 1/24/20 | 1/28/20 | 650.00 | WEC ENERGY GROUP INC | 99.13 | 64,432.94 | 0.01 | 6.50 |
| | | | | | 404,836.79 | 0.01 | 35.00 |
| JP MORGAN_O | | | | | | | |
| 2/13/20 | 2/27/20 | 50,000.00 | CARRIER GLOBAL CORP | 100.00 | 50,000.00 | 0.00 | 0.00 |
| | | | 2.242% Due 02-15-25 | | | | |
| MISCHLER FINANCIAL GROUP | | | | | | | |
| 1/7/20 | 1/10/20 | 67,000.00 | AMERICAN HONDA FINANCE | 100.00 | 67,000.00 | 0.00 | 0.00 |
| | | | 2.047% Due 05-10-23 | | | | |
| REDI | | | | | | | |
| 3/24/20 | 3/26/20 | 700.00 | ACTIVISION BLIZZARD INC | 54.84 | 38,384.78 | 0.01 | 7.00 |
| 3/26/20 | 3/30/20 | 150.00 | AT&T INC | 29.78 | 4,467.00 | 0.01 | 1.50 |
| 3/26/20 | 3/30/20 | 600.00 | BANK OF AMERICA CORP | 22.02 | 13,212.60 | 0.01 | 6.00 |
| 3/26/20 | 3/30/20 | 200.00 | BRISTOL-MYERS SQUIBB CO | 51.98 | 10,395.96 | 0.01 | 2.00 |
| 3/26/20 | 3/30/20 | 50.00 | CATERPILLAR INC DEL | 104.97 | 5,248.50 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 100.00 | CHEVRON CORP | 71.73 | 7,173.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 100.00 | CIGNA CORP | 159.85 | 15,985.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 150.00 | CISCO SYS INC | 38.26 | 5,739.00 | 0.01 | 1.50 |
| 3/26/20 | 3/30/20 | 200.00 | CITIGROUP INC | 45.05 | 9,009.42 | 0.01 | 2.00 |
| 2/19/20 | 2/21/20 | 100.00 | CONOCOPHILLIPS | 59.07 | 5,907.41 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 50.00 | CONOCOPHILLIPS | 30.57 | 1,528.50 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 50.00 | CORTEVA INC | 23.70 | 1,185.00 | 0.01 | 0.50 |
| 2/27/20 | 3/2/20 | 450.00 | CROWN CASTLE INTERNATIONAL CORP | 132.92 | 59,812.02 | 0.01 | 4.50 |
| 3/26/20 | 3/30/20 | 100.00 | CUMMINS INC | 158.07 | 63,227.64 | 0.01 | 4.00 |
| 3/26/20 | 3/30/20 | 100.00 | DELL TECHNOLOGIES INC | 41.62 | 4,162.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 50.00 | DUPONT DE NEMOURS INC | 33.25 | 1,662.50 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 50.00 | EATON CORP PLC | 75.00 | 3,750.00 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 50.00 | EOG RESOURCES INC | 38.65 | 1,932.50 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 100.00 | EXXON MOBIL CORP | 37.99 | 3,799.00 | 0.01 | 1.00 |
| 3/24/20 | 3/26/20 | 400.00 | FIDELITY NATIONAL INFORMATION SERVI- | 117.07 | 46,826.08 | 0.01 | 4.00 |
| 3/26/20 | 3/30/20 | 600.00 | FORD MOTOR CO | 5.40 | 3,241.92 | 0.01 | 6.00 |
| 3/26/20 | 3/30/20 | 50.00 | FORTIVE CORP | 50.88 | 2,544.00 | 0.01 | 0.50 |

Surtside Pension Trust Fund

Period Ending 3/31/2020

Purchases

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|----------------------------|-------------|-----------|----------------------------------|------------|---------------------|-------------|---------------|
| 3/26/20 | 3/30/20 | 1,600.00 | GENERAL ELEC CO | 7.93 | 12,680.48 | 0.01 | 16.00 |
| 3/26/20 | 3/30/20 | 150.00 | GOLDMAN SACHS GROUP INC | 161.60 | 24,240.50 | 0.01 | 1.50 |
| 2/19/20 | 2/21/20 | 150.00 | HANDOVER INSURANCE GROUP | 137.82 | 20,672.52 | 0.01 | 1.50 |
| 3/26/20 | 3/30/20 | 100.00 | HCA HEALTHCARE INC | 100.47 | 10,047.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 600.00 | HEWLETT PACKARD ENTERPRISE CO | 10.08 | 6,046.80 | 0.01 | 6.00 |
| 3/26/20 | 3/30/20 | 100.00 | INGREDION INC | 73.79 | 7,379.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 400.00 | INTEL CORP | 54.07 | 21,628.84 | 0.01 | 4.00 |
| 3/26/20 | 3/30/20 | 50.00 | LABRATORY CORPORATION OF AMERICA | 134.41 | 6,720.56 | 0.01 | 0.50 |
| 3/5/20 | 3/9/20 | 550.00 | LAS VEGAS SANDS CORP | 55.60 | 30,578.90 | 0.01 | 5.50 |
| 3/26/20 | 3/30/20 | 50.00 | MERCK & CO INC | 70.47 | 3,523.50 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 50.00 | MICRON TECHNOLOGY INC | 43.74 | 2,187.00 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 300.00 | MURPHY OIL CORP | 6.60 | 1,980.81 | 0.01 | 3.00 |
| 3/26/20 | 3/30/20 | 50.00 | NASDAQ STK MKT INC | 92.78 | 4,639.00 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 100.00 | OCCIDENTAL PETE CORP DEL | 13.43 | 1,343.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 250.00 | OLIN CORP | 11.59 | 2,897.63 | 0.01 | 2.50 |
| 3/26/20 | 3/30/20 | 50.00 | OSHKOSH CORP | 60.87 | 3,043.65 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 50.00 | PERSPECTA INC | 18.59 | 929.48 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 350.00 | PFIZER INC | 30.74 | 10,758.16 | 0.01 | 3.50 |
| 3/26/20 | 3/30/20 | 150.00 | PROCTER & GAMBLE CO | 103.33 | 15,500.00 | 0.01 | 1.50 |
| 3/26/20 | 3/30/20 | 1,250.00 | REGIONS FINANCIAL CORP | 9.14 | 11,423.63 | 0.01 | 12.50 |
| 3/26/20 | 3/30/20 | 50.00 | TARGET CORP | 92.51 | 4,625.50 | 0.01 | 0.50 |
| 3/26/20 | 3/27/20 | 100.00 | UNITED TECHNOLOGIES CORP | 98.03 | 9,803.11 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 450.00 | US BANCORP | 33.31 | 14,991.71 | 0.01 | 4.50 |
| 2/27/20 | 3/2/20 | 400.00 | US FOODS HOLDING CORP | 35.07 | 14,028.92 | 0.01 | 4.00 |
| 3/26/20 | 3/30/20 | 100.00 | VALERO ENERGY CORPORATION | 42.29 | 4,229.00 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 50.00 | WALGREENS BOOTS ALLIANCE INC | 42.84 | 2,142.00 | 0.01 | 0.50 |
| | | | | | 557,234.53 | 0.01 | 122.00 |
| strategas | | | | | | | |
| | 3/17/20 | 400.00 | JOHNSON & JOHNSON | 132.55 | 53,018.92 | 0.03 | 12.00 |
| Tradeweb Direct LLC | | | | | | | |
| | 3/6/20 | 17,963.23 | GNR 2012-43 UA | 98.22 | 17,643.88 | 0.00 | 0.00 |
| | 2/19/20 | 4,318.45 | GNR 2012-96 WA | 95.00 | 4,102.53 | 0.00 | 0.00 |
| | | | 2.0000% Due 04-16-42 | | | | |
| | | | 2.0000% Due 06-20-42 | | | | |
| PURCHASES SUBTOTAL | | | | | | | |
| | | | | | 21,746.41 | 0.00 | 0.00 |
| | | | | | 2,770,343.50 | 0.00 | 357.00 |
| | | | | | 357.00 | | |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Sales

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|----------------------|-------------|------------|---------------------------------|------------|-------------------|-------------|---------------|
| 1/10/20 | 1/10/20 | 59,000.00 | FICB | 100.00 | 59,000.00 | | |
| | | | 2.070% Due 06-29-23 | | | | |
| 2/11/20 | 2/11/20 | 275,000.00 | US TREASURY BILL | 99.82 | 274,492.84 | | |
| | | | 0.000% Due 02-11-20 | | | | |
| | | | | | 333,492.84 | 0.00 | 0.00 |
| BARCLAYS-EQ | | | | | | | |
| 3/10/20 | 3/12/20 | 600.00 | AMERICAN ELEC PWR INC | 92.35 | 55,411.41 | 0.04 | 24.00 |
| 3/10/20 | 3/12/20 | 50.00 | AMERICAN FINANCIAL GROUP INC | 84.17 | 4,208.67 | 0.04 | 2.00 |
| 3/10/20 | 3/12/20 | 100.00 | AMERICAN FINANCIAL GROUP INC | 84.17 | 8,417.34 | 0.04 | 4.00 |
| 3/10/20 | 3/12/20 | 100.00 | AMERICAN FINANCIAL GROUP INC | 84.17 | 8,417.35 | 0.04 | 4.00 |
| 3/10/20 | 3/12/20 | 150.00 | OMEGA HEALTHCARE INVS INC | 34.14 | 5,121.44 | 0.04 | 6.00 |
| 3/10/20 | 3/12/20 | 100.00 | OMEGA HEALTHCARE INVS INC | 34.14 | 3,414.29 | 0.04 | 4.00 |
| 3/10/20 | 3/12/20 | 350.00 | OMEGA HEALTHCARE INVS INC | 34.14 | 11,950.03 | 0.04 | 14.00 |
| 3/10/20 | 3/12/20 | 250.00 | OMEGA HEALTHCARE INVS INC | 34.14 | 8,535.74 | 0.04 | 10.00 |
| 3/26/20 | 3/30/20 | 200.00 | US FOODS HOLDING CORP | 18.37 | 3,674.91 | 0.04 | 8.00 |
| 3/24/20 | 3/26/20 | 650.00 | WEC ENERGY GROUP INC | 77.95 | 50,665.33 | 0.04 | 26.00 |
| | | | | | 159,816.51 | 0.04 | 102.00 |
| CITICORP | | | | | | | |
| 1/16/20 | 1/22/20 | 40,301.44 | FHLMC MF K058 A1 | 100.98 | 40,698.16 | 0.00 | 0.00 |
| | | | 2.340% Due 07-25-26 | | | | |
| Jones Trading | | | | | | | |
| 3/25/20 | 3/27/20 | 950.00 | CAMPBELL SOUP CO | 42.07 | 39,969.98 | 0.01 | 9.50 |
| 3/17/20 | 3/19/20 | 1,200.00 | COMCAST CORP | 37.04 | 44,448.57 | 0.01 | 12.00 |
| 2/27/20 | 3/2/20 | 400.00 | CROWN CASTLE INTERNATIONAL CORP | 151.72 | 60,686.57 | 0.01 | 4.00 |
| 1/21/20 | 1/23/20 | 900.00 | DELTA AIR LINES INC | 59.15 | 53,239.47 | 0.01 | 9.00 |
| 1/21/20 | 1/23/20 | 50.00 | DELTA AIR LINES INC | 59.15 | 2,957.75 | 0.01 | 0.50 |
| 2/18/20 | 2/20/20 | 50.00 | JP MORGAN CHASE & CO | 135.54 | 6,776.90 | 0.01 | 0.50 |
| 2/14/20 | 2/19/20 | 900.00 | NUCOR CORP | 46.89 | 42,204.65 | 0.01 | 9.00 |
| 3/20/20 | 3/24/20 | 1,100.00 | SERVICE PROPERTIES TRUST | 5.66 | 6,222.67 | 0.01 | 11.00 |
| 3/20/20 | 3/24/20 | 1,150.00 | SERVICE PROPERTIES TRUST | 5.66 | 6,505.52 | 0.01 | 11.50 |
| 2/20/20 | 2/24/20 | 500.00 | SIX FLAGS ENTERTAINMENT CORP | 31.30 | 15,647.85 | 0.01 | 5.00 |
| | | | | | 278,659.93 | 0.01 | 72.00 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Sales

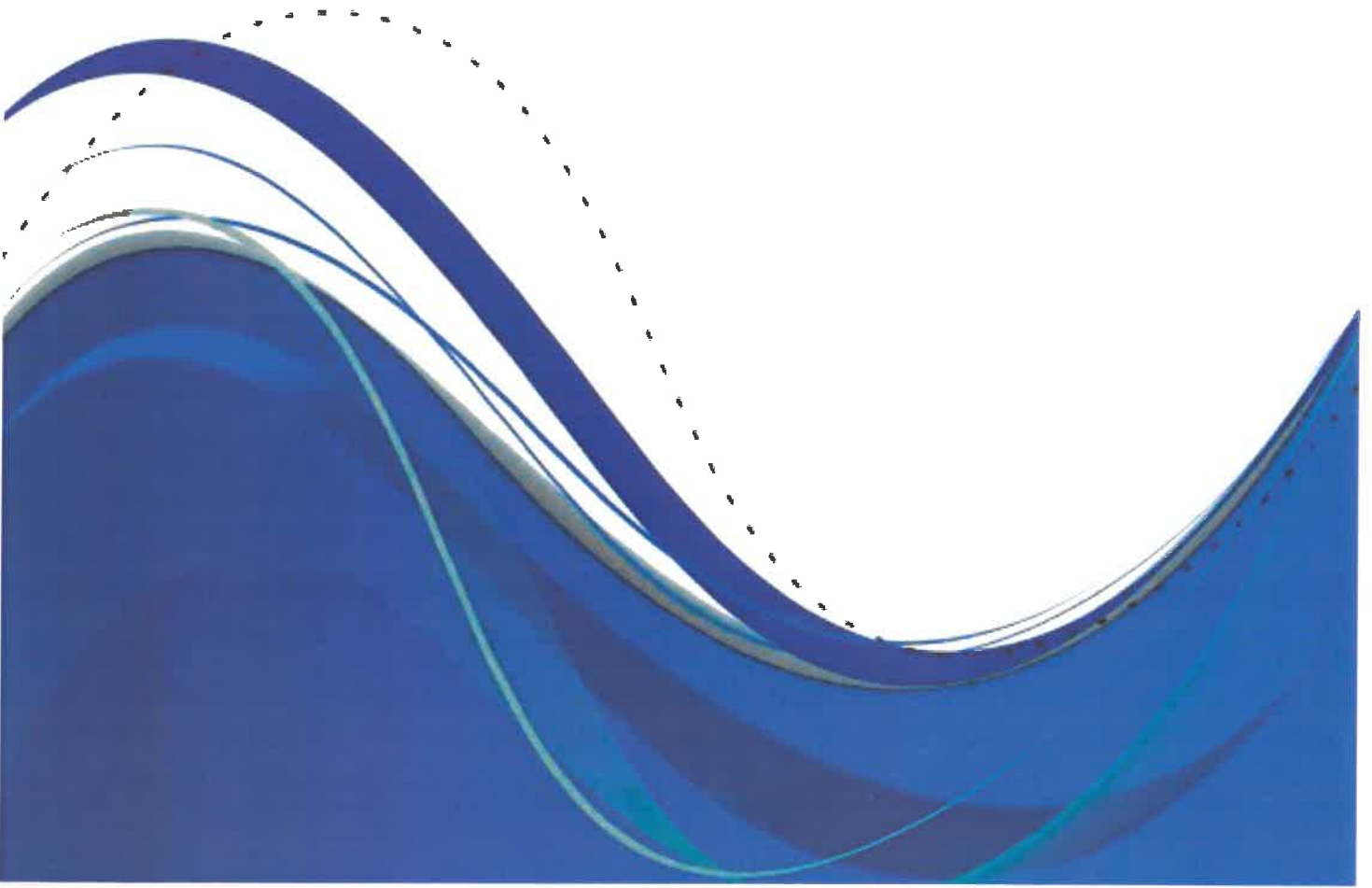
| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|------------------------------------|-------------|-----------|---------------------------------------|------------|-------------------|-------------|--------------|
| MARKET AXESS MARKET AXESS | | | | | | | |
| 2/10/20 | 2/12/20 | 50,000.00 | NYU HOSPITALS CENTER | 102.87 | 5,1434.00 | 0.00 | 0.00 |
| | | | 3.380% Due 07-01-55 | | | | |
| MESIROW | | | | | | | |
| 2/18/20 | 2/20/20 | 55,000.00 | CONSOLIDATED EDISON CO | 139.29 | 76,611.15 | 0.00 | 0.00 |
| | | | 5.700% Due 06-15-40 | | | | |
| MILLENNIUM MARKET AXESS | | | | | | | |
| 2/18/20 | 2/19/20 | 6,000.00 | FNMA | 151.70 | 9,102.06 | 0.00 | 0.00 |
| | | | 5.625% Due 07-15-37 | | | | |
| 2/18/20 | 2/19/20 | 4,000.00 | FNMA | 151.70 | 6,068.04 | 0.00 | 0.00 |
| | | | 5.625% Due 07-15-37 | | | | |
| | | | | | 15,170.10 | 0.00 | 0.00 |
| MITSUBISHI UFJ MARKET AXESS | | | | | | | |
| 1/28/20 | 1/30/20 | 50,000.00 | COMCAST CORP | 106.19 | 53,097.00 | 0.00 | 0.00 |
| | | | 3.450% Due 02-01-50 | | | | |
| MIZUHO SEC USA | | | | | | | |
| 2/10/20 | 2/12/20 | 54,000.00 | BANK OF AMERICA CORP | 100.88 | 54,473.58 | 0.00 | 0.00 |
| | | | 2.815% Due 03-05-24 | | | | |
| PIPERJAFFRAY | | | | | | | |
| 1/16/20 | 1/21/20 | 30,000.00 | SAN FRANCISCO CA CITY & CNTY PUB UTIL | 107.85 | 32,355.30 | 0.00 | 0.00 |
| | | | 3.700% Due 11-01-32 | | | | |
| REDI | | | | | | | |
| 1/16/20 | 1/21/20 | 100.00 | BLACKROCK INC | 534.89 | 53,489.04 | 0.01 | 1.00 |
| 3/26/20 | 3/30/20 | 50.00 | CUMMINS INC | 127.00 | 6,349.90 | 0.01 | 0.50 |
| 3/26/20 | 3/30/20 | 650.00 | DOMINION ENERGY INC | 70.71 | 45,963.60 | 0.01 | 6.50 |
| 3/26/20 | 3/30/20 | 350.00 | LYONDELBASELL INDUSTRIES N V | 53.36 | 18,677.75 | 0.01 | 3.50 |
| 3/20/20 | 3/24/20 | 500.00 | RYDER SYS INC | 26.84 | 13,418.20 | 0.01 | 5.00 |
| 3/26/20 | 3/30/20 | 3.18 | WABTEC CORP | 48.18 | 153.41 | 0.01 | 0.03 |
| 3/26/20 | 3/30/20 | 6.98 | WABTEC CORP | 48.18 | 336.43 | 0.01 | 0.07 |
| 3/26/20 | 3/30/20 | 2.69 | WABTEC CORP | 48.18 | 129.40 | 0.01 | 0.03 |
| 3/26/20 | 3/30/20 | 2.15 | WABTEC CORP | 48.18 | 103.52 | 0.01 | 0.02 |
| | | | | | 138,621.25 | 0.01 | 16.65 |

Surfside Pension Trust Fund

Period Ending 3/31/2020

Sales

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount | Comm/Share | Commission |
|----------------------------|-------------|------------|--|------------|---------------------|-------------|---------------|
| STIFEL BB | | | | | | | |
| 1/21/20 | 1/24/20 | 500,000.00 | BANK OF AMERICA CORP 4.300% Due 01-28-25 | 100.50 | 502,500.00 | 0.00 | 0.00 |
| strategas | | | | | | | |
| 3/10/20 | 3/12/20 | 850.00 | VENTAS INC | 42.58 | 36,193.82 | 0.03 | 25.50 |
| 3/24/20 | 3/26/20 | 600.00 | VERIZON COMMUNICATIONS INC | 49.91 | 29,944.50 | 0.03 | 18.00 |
| 3/24/20 | 3/26/20 | 100.00 | VERIZON COMMUNICATIONS INC | 49.91 | 4,990.75 | 0.03 | 3.00 |
| | | | | | 71,129.07 | 0.03 | 46.50 |
| Tradeweb Direct LLC | | | | | | | |
| 3/27/20 | 3/31/20 | 30,000.00 | CAPITAL ONE BANK USA NA 2.200% Due 09-02-20 | 100.23 | 30,069.80 | 0.00 | 0.00 |
| WELLS FARGO BB | | | | | | | |
| 3/27/20 | 3/30/20 | 50,000.00 | US TREASURY N/B 3.625% Due 02-15-21 | 102.99 | 51,496.09 | 0.00 | 0.00 |
| SALES SUBTOTAL | | | | | 1,889,624.78 | 0.00 | 237.15 |
| | | | | | 0.00 | | 237.15 |



6075 Poplar Avenue, Suite 703, Memphis, TN 38119
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Highland Capital Management, LLC
PORTFOLIO APPRAISAL
SURFSIDE PENSION TRUST COMBINED
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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-----------------------------------|--------|------------------------------------|-----------|------------|--------|--------------|-------------|------------|
| CASH AND EQUIVALENTS (USD) | | | | | | | | |
| | cash | CASH | | 181,301.89 | | 181,301.89 | 1.6 | 1.7 |
| | divacc | Dividend Accrual | | 1,630.74 | | 1,630.74 | 0.0 | ? |
| | | | | 182,932.63 | | 182,932.63 | 1.6 | 1.7 |
| COMMON STOCK (USD) | | | | | | | | |
| Energy | | | | | | | | |
| 1,298.0000 | CVX | CHEVRON CORP | 105.93 | 137,493.18 | 72.46 | 94,053.08 | 0.8 | 7.1 |
| 1,100.0000 | COP | CONOCOPHILLIPS | 54.24 | 59,667.70 | 30.80 | 33,880.00 | 0.3 | 5.5 |
| 500.0000 | EOG | BOG RESOURCES INC | 86.24 | 43,120.96 | 35.92 | 17,960.00 | 0.2 | 4.2 |
| 2,050.0000 | XOM | EXXON MOBIL CORP | 84.65 | 173,532.94 | 37.97 | 77,838.50 | 0.7 | 9.2 |
| 2,500.0000 | MRO | MARATHON OIL CORP | 27.06 | 67,642.72 | 3.29 | 8,225.00 | 0.1 | 6.1 |
| 900.0000 | MUR | MURPHY OIL CORP | 38.60 | 34,741.56 | 6.13 | 5,517.00 | 0.0 | 16.3 |
| 700.0000 | OXY | OCCIDENTAL PETE CORP DEL | 60.57 | 42,400.78 | 11.58 | 8,106.00 | 0.1 | 27.3 |
| 500.0000 | PSX | PHILLIPS 66 | 67.22 | 33,611.55 | 53.65 | 26,825.00 | 0.2 | 6.7 |
| 1,350.0000 | SLB | SCHLUMBERGER LTD | 59.60 | 80,464.22 | 13.49 | 18,211.50 | 0.2 | 14.8 |
| 550.0000 | VLO | VALERO ENERGY CORPORATION | 55.21 | 30,364.05 | 45.36 | 24,948.00 | 0.2 | 8.6 |
| | | | | 703,039.66 | | 315,564.08 | 2.8 | 8.5 |
| Materials | | | | | | | | |
| 375.0000 | CTVA | CORTEVA INC | 33.20 | 12,450.39 | 23.50 | 8,812.50 | 0.1 | 2.2 |
| 375.0000 | DOW | DOW INC | 53.05 | 19,895.59 | 29.24 | 10,965.00 | 0.1 | 9.6 |
| 175.0000 | DD | DUPONT DE NEMOURS INC | 65.51 | 11,464.11 | 34.10 | 5,967.50 | 0.1 | 3.5 |
| 2,800.0000 | GPK | GRAPHIC PACKAGING HOLDING CO | 13.26 | 37,124.26 | 12.20 | 34,160.00 | 0.3 | 2.5 |
| 850.0000 | LYB | LYONDELLBASELL INDUSTRIES N V | 87.87 | 74,691.94 | 49.63 | 42,185.50 | 0.4 | 8.5 |
| 1,650.0000 | OLN | OLIN CORP | 17.35 | 28,622.77 | 11.67 | 19,255.50 | 0.2 | 6.9 |
| | | | | 184,249.06 | | 121,346.00 | 1.1 | 5.9 |
| Industrials | | | | | | | | |
| 400.0000 | CAT | CATERPILLAR INC DEL | 116.11 | 46,442.38 | 116.04 | 46,416.00 | 0.4 | 3.6 |
| 350.0000 | CMI | CUMMINS INC | 158.07 | 55,324.18 | 135.32 | 47,362.00 | 0.4 | 3.9 |
| 700.0000 | ETN | EATON CORP PLC | 68.01 | 47,604.66 | 77.69 | 54,383.00 | 0.5 | 3.8 |
| 450.0000 | FTV | FORTIVE CORP | 68.20 | 30,689.04 | 55.19 | 24,835.50 | 0.2 | 0.5 |
| 4,556.0000 | GE | GENERAL ELEC CO | 21.14 | 96,301.21 | 7.94 | 36,174.64 | 0.3 | 0.5 |
| 400.0000 | HON | HONEYWELL INTL INC | 154.53 | 61,811.32 | 133.79 | 53,516.00 | 0.5 | 2.7 |
| 300.0000 | NSC | NORFOLK SOUTHERN CORP | 92.13 | 27,638.22 | 146.00 | 43,800.00 | 0.4 | 2.6 |
| 200.0000 | NOC | NORTHROP GRUMMAN CORP | 293.21 | 58,642.94 | 302.55 | 60,510.00 | 0.5 | 1.7 |
| 400.0000 | OSK | OSHKOSH CORP | 68.34 | 27,334.35 | 64.33 | 25,732.00 | 0.2 | 1.9 |
| 450.0000 | UAL | UNITED AIRLINES HOLDINGS INC | 86.09 | 38,740.43 | 31.55 | 14,197.50 | 0.1 | 0.0 |

Highland Capital Management, LLC
PORTFOLIO APPRAISAL
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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------------------------|--------|---|-----------|------------|--------|--------------|-------------|------------|
| 475.0000 | UTX | UNITED TECHNOLOGIES CORP | 116.07 | 55,133.96 | 94.33 | 44,806.75 | 0.4 | 3.1 |
| | | | | 545,662.70 | | 451,733.39 | 4.0 | 2.5 |
| Consumer Discretionary | | | | | | | | |
| 2,600.0000 | F | FORD MOTOR CO | 10.80 | 28,077.74 | 4.83 | 12,558.00 | 0.1 | 12.4 |
| 1,350.0000 | GM | GENERAL MOTORS CO | 36.37 | 49,105.16 | 20.78 | 28,053.00 | 0.2 | 7.3 |
| 300.0000 | HD | HOME DEPOT INC | 226.98 | 68,093.09 | 186.71 | 56,013.00 | 0.5 | 3.2 |
| 1,500.0000 | LVS | LAS VEGAS SANDS CORP | 56.98 | 85,472.56 | 42.47 | 63,705.00 | 0.6 | 7.4 |
| 300.0000 | MCD | MCDONALDS CORP | 176.68 | 53,003.04 | 165.35 | 49,605.00 | 0.4 | 3.0 |
| 1,400.0000 | PHM | PULTE GROUP INC | 29.63 | 41,476.54 | 22.32 | 31,248.00 | 0.3 | 2.2 |
| 700.0000 | TGT | TARGET CORP | 86.04 | 60,224.75 | 92.97 | 65,079.00 | 0.6 | 2.8 |
| | | | | 385,452.88 | | 306,261.00 | 2.7 | 4.6 |
| Consumer Staples | | | | | | | | |
| 550.0000 | INGR | INGREDION INC | 95.09 | 52,301.75 | 75.50 | 41,525.00 | 0.4 | 3.3 |
| 700.0000 | K | KELLOGG CO | 56.00 | 39,198.53 | 59.99 | 41,993.00 | 0.4 | 3.8 |
| 550.0000 | PEP | PEPSICO INC | 115.02 | 63,262.63 | 120.10 | 66,055.00 | 0.6 | 3.2 |
| 1,000.0000 | PG | PROCTER & GAMBLE CO | 93.81 | 93,812.20 | 110.00 | 110,000.00 | 1.0 | 2.7 |
| 1,350.0000 | USFD | US FOODS HOLDING CORP | 35.05 | 47,311.89 | 17.71 | 23,908.50 | 0.2 | 0.0 |
| 400.0000 | WBA | WALGREENS BOOTS ALLIANCE INC | 73.87 | 29,546.13 | 45.75 | 18,300.00 | 0.2 | 4.0 |
| | | | | 325,433.13 | | 301,781.50 | 2.7 | 2.9 |
| Health Care | | | | | | | | |
| 250.0000 | AMGN | AMGEN INC | 173.40 | 43,348.92 | 202.73 | 50,682.50 | 0.4 | 3.2 |
| 300.0000 | ANTM | ANTHEM INC | 235.85 | 70,754.68 | 227.04 | 68,112.00 | 0.6 | 1.7 |
| 150.0000 | BIIB | BIOGEN IDEC INC | 288.50 | 43,275.33 | 316.38 | 47,457.00 | 0.4 | 0.0 |
| 1,350.0000 | BMY | BRISTOL-MYERS SQUIBB CO | 47.00 | 63,446.38 | 55.74 | 75,249.00 | 0.7 | 3.2 |
| 200.0000 | CI | CIGNA CORP | 122.97 | 24,594.50 | 177.18 | 35,436.00 | 0.3 | 0.0 |
| 1,100.0000 | CVS | CVS HEALTH CORPORATION | 67.51 | 74,256.35 | 59.33 | 65,263.00 | 0.6 | 3.4 |
| 350.0000 | HCA | HCA HEALTHCARE INC | 89.27 | 31,242.87 | 89.85 | 31,447.50 | 0.3 | 1.9 |
| 1,000.0000 | JNJ | JOHNSON & JOHNSON | 132.52 | 132,517.78 | 131.13 | 131,130.00 | 1.2 | 2.9 |
| 350.0000 | LH | LABRATORY CORPORATION OF AMERICA HOLDINGS | 186.44 | 65,253.62 | 126.39 | 44,236.50 | 0.4 | 0.0 |
| 850.0000 | MRK | MERCK & CO INC | 60.20 | 51,174.23 | 76.94 | 65,399.00 | 0.6 | 3.2 |
| 2,550.0000 | PFE | PFIZER INC | 33.92 | 86,502.85 | 32.64 | 83,232.00 | 0.7 | 4.7 |
| 150.0000 | TMO | THERMO FISHER SCIENTIFIC INC | 298.70 | 44,805.32 | 283.60 | 42,540.00 | 0.4 | 0.3 |
| 200.0000 | UNH | UNITEDHEALTH GROUP INC | 242.88 | 48,575.30 | 249.38 | 49,876.00 | 0.4 | 1.7 |
| | | | | 779,748.13 | | 790,060.50 | 7.0 | 2.4 |

Highland Capital Management, LLC
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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------------------------|--------|--|-----------|--------------|--------|--------------|-------------|------------|
| Financials | | | | | | | | |
| 400.0000 | AXP | AMERICAN EXPRESS CO | 94.86 | 37,943.70 | 85.61 | 34,244.00 | 0.3 | 2.0 |
| 1,850.0000 | AIG | AMERICAN INTERNATIONAL GROUP INC | 38.98 | 72,106.89 | 24.25 | 44,862.50 | 0.4 | 5.3 |
| 4,417.0000 | BAC | BANK OF AMERICA CORP | 19.93 | 88,036.99 | 21.23 | 93,772.91 | 0.8 | 3.4 |
| 1,050.0000 | BRK/B | BERKSHIRE HATHAWAY INC | 148.77 | 156,208.96 | 182.83 | 191,971.50 | 1.7 | 0.0 |
| 50.0000 | BLK | BLACKROCK INC | 403.59 | 20,179.35 | 439.97 | 21,998.50 | 0.2 | 3.3 |
| 450.0000 | CB | CHUBB LIMITED | 136.79 | 61,557.25 | 111.69 | 50,260.50 | 0.4 | 2.7 |
| 1,180.0000 | C | CITIGROUP INC | 53.68 | 63,338.87 | 42.12 | 49,701.60 | 0.4 | 4.8 |
| 1,100.0000 | CFG | CITIZENS FINANCIAL GROUP INC | 36.50 | 40,144.72 | 18.81 | 20,691.00 | 0.2 | 8.3 |
| 400.0000 | GS | GOLDMAN SACHS GROUP INC | 203.13 | 81,251.35 | 154.59 | 61,836.00 | 0.5 | 3.2 |
| 450.0000 | THG | HANOVER INSURANCE GROUP | 134.44 | 60,496.97 | 90.58 | 40,761.00 | 0.4 | 2.9 |
| 1,500.0000 | JPM | JP MORGAN CHASE & CO | 61.17 | 91,748.13 | 90.03 | 135,045.00 | 1.2 | 4.0 |
| 650.0000 | LNC | LINCOLN NATL CORP IND | 47.11 | 30,624.72 | 26.32 | 17,108.00 | 0.2 | 6.1 |
| 550.0000 | NDAQ | NASDAQ STK MKT INC | 90.90 | 49,993.95 | 94.95 | 52,222.50 | 0.5 | 0.9 |
| 4,550.0000 | RF | REGIONS FINANCIAL CORP | 13.04 | 59,319.45 | 8.97 | 40,813.50 | 0.4 | 6.9 |
| 1,100.0000 | TFC | TRUIST FINANCIAL CORP | 43.05 | 47,356.93 | 30.84 | 33,924.00 | 0.3 | 5.8 |
| 1,550.0000 | USB | US BANCORP | 40.47 | 62,736.24 | 34.45 | 53,397.50 | 0.5 | 4.9 |
| 2,600.0000 | WFC | WELLS FARGO CO | 48.64 | 126,461.59 | 28.70 | 74,620.00 | 0.7 | 7.1 |
| | | | | 1,149,506.06 | | 1,017,230.01 | 9.0 | 3.5 |
| Information Technology | | | | | | | | |
| 1,200.0000 | CSCO | CISCO SYS INC | 32.71 | 39,253.45 | 39.31 | 47,172.00 | 0.4 | 3.7 |
| 2,050.0000 | GLW | CORNING INC | 24.09 | 49,389.26 | 20.54 | 42,107.00 | 0.4 | 4.3 |
| 229.0000 | DELL | DELL TECHNOLOGIES INC | 43.88 | 10,048.92 | 39.55 | 9,056.95 | 0.1 | 0.0 |
| 208.0000 | DXC | DXC TECHNOLOGY CO | 49.53 | 10,301.59 | 13.05 | 2,714.40 | 0.0 | 6.4 |
| 400.0000 | FIS | FIDELITY NATIONAL INFORMATION SERVICES | 117.07 | 46,826.08 | 121.64 | 48,656.00 | 0.4 | 1.2 |
| 4,500.0000 | HPE | HEWLETT PACKARD ENTERPRISE CO | 13.45 | 60,507.51 | 9.71 | 43,695.00 | 0.4 | 4.9 |
| 2,600.0000 | INTC | INTEL CORP | 27.00 | 70,212.19 | 54.12 | 140,712.00 | 1.2 | 2.4 |
| 500.0000 | MU | MICRON TECHNOLOGY INC | 25.13 | 12,567.00 | 42.06 | 21,030.00 | 0.2 | 0.0 |
| 450.0000 | MSFT | MICROSOFT CORP | 68.00 | 30,598.86 | 157.71 | 70,969.50 | 0.6 | 1.3 |
| 650.0000 | ORCL | ORACLE CORP | 42.89 | 27,876.70 | 48.33 | 31,414.50 | 0.3 | 2.0 |
| 129.0000 | PRSP | PERSPECTA INC | 17.41 | 2,245.96 | 18.24 | 2,352.96 | 0.0 | 1.3 |
| 600.0000 | SWKS | SKYWORKS SOLUTIONS INC | 109.09 | 65,453.52 | 89.38 | 53,628.00 | 0.5 | 2.0 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------------------------|-----------|---|-----------|--------------|--------|--------------|-------------|------------|
| 400.0000 | TXN | TEXAS INSTRUMENTS INC | 102.59 | 41,035.68 | 99.93 | 39,972.00 | 0.4 | 3.6 |
| | | | | 466,316.72 | | 553,480.31 | 4.9 | 2.5 |
| Communication Services | | | | | | | | |
| 700.0000 | ATVI | ACTIVISION BLIZZARD INC | 54.84 | 38,384.78 | 59.48 | 41,636.00 | 0.4 | 2.8 |
| 3,850.0000 | T | AT&T INC | 34.57 | 133,095.04 | 29.15 | 112,227.50 | 1.0 | 7.1 |
| 1,200.0000 | CMCSA | COMCAST CORP | 37.97 | 45,558.68 | 34.38 | 41,256.00 | 0.4 | 2.7 |
| 1,550.0000 | VZ | VERIZON COMMUNICATIONS INC | 54.05 | 83,776.17 | 53.73 | 83,281.50 | 0.7 | 4.6 |
| 650.0000 | DIS | WALT DISNEY CO | 120.53 | 78,343.06 | 96.60 | 62,790.00 | 0.6 | 1.8 |
| | | | | 379,157.73 | | 341,191.00 | 3.0 | 4.5 |
| Utilities | | | | | | | | |
| 650.0000 | AEP | AMERICAN ELEC PWR INC | 72.48 | 47,112.56 | 79.98 | 51,987.00 | 0.5 | 3.5 |
| 700.0000 | DUK | DUKE ENERGY CORP | 75.56 | 52,888.78 | 80.88 | 56,616.00 | 0.5 | 4.7 |
| 1,450.0000 | EXC | EXELON CORP | 34.78 | 50,437.56 | 36.81 | 53,374.50 | 0.5 | 4.2 |
| 200.0000 | NEE | NEXTERA ENERGY INC | 206.47 | 41,293.05 | 240.62 | 48,124.00 | 0.4 | 2.3 |
| | | | | 191,731.95 | | 210,101.50 | 1.9 | 3.7 |
| Real Estate | | | | | | | | |
| 450.0000 | CCI | CROWN CASTLE INTERNATIONAL CORP | 132.92 | 59,812.02 | 144.40 | 64,980.00 | 0.6 | 3.3 |
| 700.0000 | PLD | PROLOGIS INC | 53.33 | 37,333.86 | 80.37 | 56,259.00 | 0.5 | 2.9 |
| | | | | 97,145.88 | | 121,239.00 | 1.1 | 3.1 |
| | | COMMON STOCK (USD) Total | | 5,207,443.91 | | 4,529,988.29 | 40.0 | 3.6 |
| CORPORATE BONDS (USD) | | | | | | | | |
| 50,000.0000 | 723484AG6 | PINNACLE WEST CAP CORP SR NT 2.250% Due 11-30-20 | 99.94 | 49,968.50 | 99.49 | 49,745.50 | 0.4 | 2.3 |
| 30,000.0000 | 816851BD0 | SEMPRA ENERGY VR 2.210% Due 01-15-21 | 100.00 | 30,000.00 | 87.98 | 26,393.70 | 0.2 | 2.5 |
| 30,000.0000 | 94974BFR6 | WELLS FARGO & CO 3.000% Due 01-22-21 | 101.11 | 30,332.40 | 100.45 | 30,134.70 | 0.3 | 3.0 |
| 50,000.0000 | 61746BEA0 | MORGAN STANLEY 2.500% Due 04-21-21 | 99.66 | 49,832.00 | 100.38 | 50,190.50 | 0.4 | 2.5 |
| 50,000.0000 | 149123BV2 | CATERPILLAR INC 3.900% Due 05-27-21 | 107.24 | 53,618.00 | 102.39 | 51,196.50 | 0.5 | 3.8 |
| 55,000.0000 | 12189LAD3 | BURLINGTON NORTH SANTA FE LLC SE BD CAL 4.100% Due 06-01-21 | 106.65 | 58,656.40 | 100.88 | 55,482.90 | 0.5 | 4.1 |
| 30,000.0000 | 86562MAE0 | SUMITOMO MITSUI FINL GRP 2.058% Due 07-14-21 | 100.00 | 30,000.00 | 99.32 | 29,794.80 | 0.3 | 2.1 |
| 85,000.0000 | 06367TJX9 | BANK OF MONTREAL 1.900% Due 08-27-21 | 99.81 | 84,839.35 | 100.33 | 85,278.80 | 0.8 | 1.9 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|------------|-----------|--|-----------|------------|--------|--------------|-------------|------------|
| 55,000.000 | 02665WBG5 | AMERICAN HONDA FINANCE 1.700% Due 09-09-21 | 99.80 | 54,890.00 | 98.42 | 54,133.75 | 0.5 | 1.7 |
| 50,000.000 | 884315AG7 | THOMAS & BETTS CORP 5.625% Due 11-15-21 | 115.91 | 57,957.50 | 105.15 | 52,573.00 | 0.5 | 5.3 |
| 50,000.000 | 776743AC0 | ROPER TECHNOLOGIES INC 2.800% Due 12-15-21 | 99.84 | 49,921.50 | 100.14 | 50,069.00 | 0.4 | 2.8 |
| 38,000.000 | 046353AQ1 | ASTRAZENECA PLC 2.375% Due 06-12-22 | 99.84 | 37,939.96 | 100.58 | 38,219.64 | 0.3 | 2.4 |
| 50,000.000 | 136069TY7 | CANADIAN IMPERIAL BK COMM SR NT 2.550% Due 06-16-22 | 100.58 | 50,288.50 | 101.08 | 50,541.00 | 0.4 | 2.5 |
| 50,000.000 | 693475AL9 | PNC FINANCIAL SERVICES GROUP INC 2.854% Due 11-09-22 | 101.59 | 50,797.50 | 101.27 | 50,636.50 | 0.4 | 2.8 |
| 88,000.000 | 46625HJH4 | JPMORGAN CHASE & CO 3.200% Due 01-25-23 | 99.30 | 87,381.36 | 103.51 | 91,091.44 | 0.8 | 3.1 |
| 40,000.000 | 808513AT2 | CHARLES SCHWAB CORP 2.650% Due 01-25-23 | 99.84 | 39,936.00 | 101.96 | 40,786.00 | 0.4 | 2.6 |
| 67,000.000 | 02665WDG3 | AMERICAN HONDA FINANCE 2.047% Due 05-10-23 | 100.00 | 67,000.00 | 92.36 | 61,881.87 | 0.5 | 2.2 |
| 50,000.000 | 04685A2J9 | ATHENS GLOBAL FUNDING 2.750% Due 06-25-24 | 100.78 | 50,392.50 | 99.97 | 49,987.50 | 0.4 | 2.8 |
| 95,000.000 | 247361ZU5 | DELTA AIR LINES INC 2.900% Due 10-28-24 | 99.76 | 94,776.75 | 82.45 | 78,324.65 | 0.7 | 3.5 |
| 48,000.000 | 001055AM4 | AFLAC INC 3.625% Due 11-15-24 | 105.24 | 50,515.20 | 105.46 | 50,620.80 | 0.4 | 3.4 |
| 60,000.000 | 30313RAA7 | FS KKR CAPITAL II 4.250% Due 02-14-25 | 100.00 | 60,000.00 | 80.79 | 48,474.00 | 0.4 | 5.3 |
| 50,000.000 | 14448CAF1 | CARRIER GLOBAL CORP 2.242% Due 02-15-25 | 100.00 | 50,000.00 | 97.84 | 48,919.00 | 0.4 | 2.3 |
| 35,000.000 | 37940XAA0 | GLOBAL PAYMENTS INC 2.650% Due 02-15-25 | 99.97 | 34,991.25 | 101.33 | 35,465.85 | 0.3 | 2.6 |
| 50,000.000 | 032095AK7 | AMPHENOL CORP 2.050% Due 03-01-25 | 99.83 | 49,914.50 | 95.01 | 47,505.00 | 0.4 | 2.2 |
| 15,000.000 | 29101IBG8 | EMERSON ELECTRIC CO 3.150% Due 06-01-25 | 99.68 | 14,952.60 | 102.21 | 15,332.25 | 0.1 | 3.1 |
| 90,000.000 | 665859AP9 | NORTHERN TRUST CORP 3.950% Due 10-30-25 | 104.64 | 94,176.90 | 105.48 | 94,934.70 | 0.8 | 3.7 |
| 30,000.000 | 857477BE2 | STATE STREET CORP 2.354% Due 11-01-25 | 100.00 | 30,000.00 | 98.21 | 29,463.90 | 0.3 | 2.4 |
| 54,000.000 | 06051GHY8 | BANK OF AMERICA CORP 2.015% Due 02-13-26 | 100.00 | 54,000.00 | 97.81 | 52,819.02 | 0.5 | 2.1 |

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|------------|-----------|--|-----------|------------|--------|--------------|-------------|------------|
| 30,000.000 | 25470DAL3 | DISCOVERY COMMUNICATIONS 4.900% Due 03-11-26 | 105.04 | 31,511.40 | 102.04 | 30,612.90 | 0.3 | 4.8 |
| 30,000.000 | 548661DM6 | LOWES COS INC 2.500% Due 04-15-26 | 99.54 | 29,863.20 | 98.80 | 29,640.60 | 0.3 | 2.5 |
| 75,000.000 | 94974BFY1 | WELLS FARGO & CO 4.100% Due 06-03-26 | 105.20 | 78,900.00 | 105.85 | 79,391.25 | 0.7 | 3.9 |
| 55,000.000 | 86562MAF7 | SUMITOMO MITSUI FINANCIAL GROUP INC 2.632% Due 07-14-26 | 100.00 | 55,000.00 | 100.08 | 55,042.90 | 0.5 | 2.6 |
| 38,000.000 | 92343VDD3 | VERIZON COMMUNICATIONS INC 2.625% Due 08-15-26 | 99.74 | 37,903.10 | 103.37 | 39,282.12 | 0.3 | 2.5 |
| 20,000.000 | 666807BK7 | NORTHROP GRUMMAN CORP 3.200% Due 02-01-27 | 99.84 | 19,967.80 | 103.21 | 20,641.80 | 0.2 | 3.1 |
| 25,000.000 | 436893AA9 | HOME BANCSHARES INC 5.625% Due 04-15-27 | 104.75 | 26,187.50 | 91.00 | 22,750.00 | 0.2 | 6.2 |
| 70,000.000 | 05971JAA0 | BANCORP SOUTH 4.125% Due 11-20-29 | 100.00 | 70,000.00 | 96.22 | 67,351.20 | 0.6 | 4.3 |
| 25,000.000 | 89679EAB8 | TRIUMPH BANCORP INC 4.875% Due 11-27-29 | 100.00 | 25,000.00 | 102.39 | 25,596.90 | 0.2 | 4.8 |
| 50,000.000 | 56501RAE6 | MANULIFE FINANCIAL CORP 4.061% Due 02-24-32 | 100.00 | 50,000.00 | 113.00 | 56,502.00 | 0.5 | 3.6 |
| 21,000.000 | 337358BD6 | FIRST UNION CORP 6.550% Due 10-15-35 | 123.80 | 25,997.37 | 145.13 | 30,476.67 | 0.3 | 4.5 |
| 50,000.000 | 478160CL6 | JOHNSON AND JOHNSON SR BND CALL 3.400% Due 01-15-38 | 99.70 | 49,851.50 | 114.19 | 57,094.00 | 0.5 | 3.0 |
| 10,000.000 | 257375AJ4 | DOMINION ENERGY GAS HOLDINGS LLC 4.600% Due 12-15-44 | 108.64 | 10,864.10 | 96.70 | 9,669.80 | 0.1 | 4.8 |
| 50,000.000 | 037833BH2 | APPLE INC 4.375% Due 05-13-45 | 109.89 | 54,943.50 | 128.80 | 64,399.50 | 0.6 | 3.4 |
| 10,000.000 | 56501RAD8 | MANULIFE FINANCIAL CORP SR BD 5.375% Due 03-04-46 | 99.64 | 9,964.50 | 121.76 | 12,176.10 | 0.1 | 4.4 |
| 9,000.000 | 26442CAR5 | DUKE ENERGY CAROLINAS LLC 3.875% Due 03-15-46 | 99.65 | 8,968.23 | 110.35 | 9,931.23 | 0.1 | 3.5 |
| 43,000.000 | 548661DN4 | LOWES COS INC 3.700% Due 04-15-46 | 99.44 | 42,760.92 | 97.25 | 41,819.22 | 0.4 | 3.8 |
| 20,000.000 | 797440BV5 | SAN DIEGO GAS & ELECTRIC CO 3.750% Due 06-01-47 | 99.55 | 19,910.80 | 107.09 | 21,417.60 | 0.2 | 3.5 |
| 25,000.000 | 573284AU0 | MARTIN MARIETTA MATERIALS INC 4.250% Due 12-15-47 | 99.68 | 24,920.25 | 100.20 | 25,051.25 | 0.2 | 4.2 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------------------------|-----------|---|-----------|--------------|--------|--------------|-------------|------------|
| 37,000.000 | 20268JAD5 | COMMONSPIRIT HEALTH 3.817% Due 10-01-49 | 100.00 | 37,000.00 | 101.90 | 37,704.11 | 0.3 | 3.7 |
| 31,000.000 | 91529YAP1 | UNUM GROUP 4.500% Due 12-15-49 | 99.99 | 30,996.90 | 77.42 | 24,000.82 | 0.2 | 5.8 |
| 94,000.000 | 48252DAA3 | KKR GROUP FINANCE CO VII 3.625% Due 02-25-50 | 99.47 | 93,505.56 | 83.72 | 78,693.98 | 0.7 | 4.3 |
| 70,000.000 | 14448CAC8 | CARRIER GLOBAL CORP 3.577% Due 04-05-50 | 100.00 | 69,997.20 | 88.93 | 62,249.60 | 0.5 | 4.0 |
| 50,000.000 | 458140BK5 | INTEL CORP 3.100% Due 02-15-60 Accrued Interest | 99.34 | 49,670.50 | 105.01 | 52,503.50 | 0.5 | 3.0 |
| | | | | 2,420,763.00 | | 10,204.68 | 0.1 | |
| | | | | | | 2,384,200.00 | 21.1 | 3.3 |
| MUNICIPAL BONDS (USD) | | | | | | | | |
| 50,000.000 | 93974CPH7 | WASHINGTON ST 4.636% Due 08-01-22 | 109.51 | 54,754.50 | 107.71 | 53,857.50 | 0.5 | 4.3 |
| 30,000.000 | 914713N32 | UNIV OF NC CHAPEL HIL 1.998% Due 12-01-22 | 101.04 | 30,312.00 | 101.77 | 30,532.20 | 0.3 | 2.0 |
| 30,000.000 | 79765RP78 | SAN FRANCISCO CA CITY & CNTY PUB UTILS 3.700% Due 11-01-32 | 100.00 | 30,000.00 | 101.42 | 30,425.40 | 0.3 | 3.6 |
| 50,000.000 | 64966HMT4 | NEW YORK N Y 5.676% Due 10-01-34 | 111.97 | 55,983.00 | 100.00 | 50,000.00 | 0.4 | 5.7 |
| 8,000.000 | 592098G50 | METRO GOVT NASH & DAVD CNTY TN WTR & SWR 6.568% Due 07-01-37 | 134.47 | 10,757.28 | 142.39 | 11,390.96 | 0.1 | 4.6 |
| 55,000.000 | 79772EBJ7 | SAN FRANCISCO CALF CITY & CNTY CMNTY 3.750% Due 09-01-37 | 97.21 | 53,466.05 | 106.46 | 58,554.10 | 0.5 | 3.5 |
| 55,000.000 | 64971MZH8 | NEW YORK CITY NY TRANS 6.267% Due 08-01-39 | 111.37 | 61,252.95 | 100.39 | 55,214.50 | 0.5 | 6.2 |
| 15,000.000 | 928077KD7 | VIRGINIA PORT AUTH PORT FAC 4.478% Due 07-01-45 | 100.00 | 15,000.00 | 106.96 | 16,044.15 | 0.1 | 4.2 |
| 40,000.000 | 8821177C2 | TEXAS ST A & M UNIV PERM UNIV FUND REV 3.100% Due 07-01-49 Accrued Interest | 100.00 | 40,000.00 | 100.34 | 40,136.40 | 0.4 | 3.1 |
| | | | | 351,525.78 | | 932.70 | 0.0 | |
| | | | | | | 347,087.91 | 3.1 | 4.3 |
| GOVERNMENT BONDS (USD) | | | | | | | | |
| 3,000.000 | 912828L57 | US TREASURY N/B 1.750% Due 09-30-22 | 99.56 | 2,986.89 | 103.71 | 3,111.21 | 0.0 | 1.7 |
| 15,000.000 | 912810RJ9 | US TREASURY N/B 3.000% Due 11-15-44 | 94.48 | 14,172.66 | 135.42 | 20,313.28 | 0.2 | 2.2 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|--|-----------|---|-----------|------------|--------|--------------|-------------|------------|
| 50,000.000 | 912810RM2 | US TREASURY N/B 3.000% Due 05-15-45 Accrued Interest | 111.21 | 55,603.52 | 136.10 | 68,050.78 | 0.6 | 2.2 |
| | | | | | | 733.93 | 0.0 | |
| | | | | 72,763.07 | | 92,209.20 | 0.8 | 2.2 |
| GOVERNMENT SPONSORED BOND (USD) | | | | | | | | |
| 100,000.000 | 3133EGQM0 | FFCB 1.620% Due 02-10-22 | 99.87 | 99,870.00 | 100.01 | 100,012.00 | 0.9 | 1.6 |
| 55,000.000 | 3133XG6E9 | FHLB 5.750% Due 06-12-26 | 129.94 | 71,468.10 | 127.59 | 70,175.60 | 0.6 | 4.5 |
| 80,000.000 | 563469UL7 | MANITOBA PROV OF 2.125% Due 06-22-26 | 99.14 | 79,314.40 | 106.75 | 85,396.80 | 0.8 | 2.0 |
| 14,000.000 | 31398AFD9 | FNMA 5.625% Due 07-15-37 | 136.06 | 19,049.10 | 157.92 | 22,109.22 | 0.2 | 3.6 |
| 37,000.000 | 880591DZ2 | TENNESSEE VALLEY AUTH 5.375% Due 04-01-56 Accrued Interest | 137.08 | 50,719.08 | 181.03 | 66,979.99 | 0.6 | 3.0 |
| | | | | | | 2,815.16 | 0.0 | |
| | | | | 320,420.68 | | 347,488.77 | 3.1 | 2.7 |
| MORTGAGE POOLS (USD) | | | | | | | | |
| 141.480 | 31407FBW9 | FNMA 829053 4.000% Due 08-25-20 | 97.00 | 137.24 | 100.04 | 141.53 | 0.0 | 4.0 |
| 4.150 | 3128MIKV0 | FGCIN #G12208 4.000% Due 02-15-21 | 92.56 | 3.84 | 100.39 | 4.17 | 0.0 | 4.0 |
| 66,892.570 | 3620A9QH7 | GN 723256 4.000% Due 09-15-24 | 102.56 | 68,602.01 | 105.36 | 70,477.59 | 0.6 | 3.8 |
| 60,000.000 | 3137F4CY6 | FHMS KBX1 A1 2.920% Due 09-25-24 | 99.69 | 59,812.50 | 105.32 | 63,189.84 | 0.6 | 2.8 |
| 29,653.880 | 3137FBTF3 | FHMS KJ17 A1 2.404% Due 10-25-24 | 100.00 | 29,653.79 | 103.06 | 30,560.87 | 0.3 | 2.3 |
| 22,922.450 | 31418R3G4 | FN AD4398 4.000% Due 06-01-25 | 106.25 | 24,355.10 | 105.46 | 24,175.13 | 0.2 | 3.8 |
| 50,000.000 | 3137FBTG1 | FHMS KJ 17 A2 2.982% Due 11-25-25 | 102.00 | 50,999.85 | 106.11 | 53,054.69 | 0.5 | 2.8 |
| 100,000.000 | 3137FKWD4 | FHMS KC03 A2 3.499% Due 01-25-26 | 102.01 | 102,011.50 | 108.82 | 108,824.22 | 1.0 | 3.2 |
| 50,000.000 | 3137FMD25 | FHMS KG01 A7 2.875% Due 04-25-26 | 103.00 | 51,498.05 | 107.18 | 53,587.89 | 0.5 | 2.7 |
| 90,891.980 | 3137FBBW5 | FHMS K068 A1 2.952% Due 02-25-27 | 102.00 | 92,709.09 | 104.92 | 95,365.57 | 0.8 | 2.8 |
| 46,780.850 | 3137FCJJ4 | FHMS K070 A1 3.026% Due 04-25-27 | 102.00 | 47,715.53 | 105.44 | 49,324.56 | 0.4 | 2.9 |
| 39,576.400 | 31418CLL6 | FN MA3030 3.000% Due 06-01-27 | 100.00 | 39,576.40 | 105.03 | 41,566.04 | 0.4 | 2.9 |
| 102,000.000 | 3137FBBX3 | FHMS K068 A2 3.244% Due 08-25-27 | 103.00 | 105,056.63 | 111.49 | 113,722.03 | 1.0 | 2.9 |
| 55,000.000 | 3137FCJK1 | FHMS K070 A2 3.303% Due 11-25-27 | 103.00 | 56,649.12 | 112.00 | 61,600.00 | 0.5 | 2.9 |
| 19,834.530 | 831641FK6 | SBIC 2018-10A 1 3.187% Due 03-10-28 | 99.78 | 19,791.14 | 106.37 | 21,097.43 | 0.2 | 3.0 |
| 60,000.000 | 3138LNBG5 | FN AN9038 3.460% Due 05-01-28 | 100.66 | 60,393.75 | 112.96 | 67,778.91 | 0.6 | 3.1 |
| 90,000.000 | 3138LNMC2 | FN AN9354 3.640% Due 06-25-28 | 102.44 | 92,193.75 | 114.61 | 103,144.92 | 0.9 | 3.2 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------|-----------|---------------------------------------|-----------|------------|--------|--------------|-------------|------------|
| 18,160.030 | 31418AWQ7 | FN MA1554 3.000% Due 08-25-28 | 98.25 | 17,842.23 | 104.91 | 19,051.01 | 0.2 | 2.9 |
| 45,000.000 | 313637SC5 | FN 109515 3.990% Due 09-01-28 | 104.34 | 46,954.69 | 114.87 | 51,691.99 | 0.5 | 3.5 |
| 70,000.000 | 31377U2E2 | FN 387873 3.750% Due 11-01-28 | 102.66 | 71,859.38 | 115.48 | 80,836.33 | 0.7 | 3.2 |
| 111,000.000 | 3140HRRES | FN BL0484 4.220% Due 11-01-28 | 105.99 | 117,651.33 | 117.55 | 130,477.03 | 1.2 | 3.6 |
| 55,000.000 | 3137FKZZ2 | FHMS K088 A2 3.690% Due 01-25-29 | 103.00 | 56,647.58 | 114.67 | 63,069.53 | 0.6 | 3.2 |
| 25,000.000 | 3137FMCZ3 | FHLMC MF KG01 2.939% Due 04-25-29 | 103.00 | 25,749.63 | 108.69 | 27,171.87 | 0.2 | 2.7 |
| 20,481.920 | 3138YAM44 | FN AX8478 3.000% Due 11-25-29 | 98.52 | 20,177.89 | 105.18 | 21,543.62 | 0.2 | 2.9 |
| 37,342.480 | 31307RFR1 | FG J34676 3.000% Due 07-01-31 | 105.50 | 39,396.32 | 105.18 | 39,275.25 | 0.3 | 2.9 |
| 52,020.680 | 3138WH2U5 | FN A57986 2.500% Due 09-01-31 | 102.31 | 53,222.16 | 103.97 | 54,085.25 | 0.5 | 2.4 |
| 27,540.380 | 3132J4AB5 | FG G30701 5.000% Due 11-01-31 | 111.00 | 30,569.82 | 109.00 | 30,017.94 | 0.3 | 4.6 |
| 39,521.600 | 31418ACN6 | FN MA0976 3.500% Due 02-25-32 | 99.66 | 39,385.74 | 106.35 | 42,030.30 | 0.4 | 3.3 |
| 3,332.720 | 36201FWN3 | GN 582153 6.000% Due 06-15-32 | 102.88 | 3,428.80 | 114.25 | 3,807.63 | 0.0 | 5.3 |
| 22,441.880 | 31418AMZ8 | FN MA1275 3.000% Due 12-01-32 | 97.69 | 21,922.91 | 105.70 | 23,720.02 | 0.2 | 2.8 |
| 20,408.280 | 3138MM7C0 | FN AQ6290 3.000% Due 12-25-32 | 97.38 | 19,872.56 | 105.70 | 21,570.60 | 0.2 | 2.8 |
| 212,718.550 | 31418AN87 | FN MA1314 2.500% Due 01-25-33 | 100.00 | 212,718.55 | 104.60 | 222,498.62 | 2.0 | 2.4 |
| 20,050.590 | 38374MV89 | GNR 2006-17 HD 6.000% Due 04-20-36 | 107.56 | 21,565.52 | 119.03 | 23,866.47 | 0.2 | 5.0 |
| 8,220.120 | 3128LXQV5 | FG G02268 6.500% Due 08-01-36 | 102.08 | 8,390.97 | 120.00 | 9,863.82 | 0.1 | 5.4 |
| 23,791.760 | 36241KK80 | GN 782119 6.000% Due 08-15-36 | 107.08 | 25,475.77 | 117.51 | 27,958.11 | 0.2 | 5.1 |
| 3,837.460 | 31371MXX0 | FN 256394 6.500% Due 09-01-36 | 102.00 | 3,914.21 | 119.64 | 4,591.16 | 0.0 | 5.4 |
| 92,500.780 | 31396PZE4 | FNR 2007-17 FD 2.077% Due 03-25-37 | 99.78 | 92,298.43 | 99.05 | 91,619.13 | 0.8 | 2.1 |
| 15,000.000 | 38380GR48 | FNR 2017 134VD 3.000% Due 04-20-38 | 99.50 | 14,925.00 | 108.61 | 16,290.82 | 0.1 | 2.8 |
| 1,537.489 | 31410KJY1 | FN 889579 6.000% Due 05-01-38 | 109.39 | 1,681.87 | 116.50 | 1,791.11 | 0.0 | 5.2 |
| 1,770.542 | 36202E0U1 | GNMA 4195 6.000% Due 07-20-38 | 99.89 | 1,768.60 | 116.25 | 2,058.32 | 0.0 | 5.2 |
| 20,636.370 | 36202EXN4 | G2 4285 6.000% Due 11-20-38 | 105.50 | 21,771.37 | 109.29 | 22,554.10 | 0.2 | 5.5 |
| 4,424.091 | 36202E5G0 | GNMA 4447 5.000% Due 05-20-39 | 104.81 | 4,637.00 | 112.59 | 4,981.08 | 0.0 | 4.4 |
| 17,478.030 | 36202E7H6 | G2 4496 5.000% Due 07-20-39 | 109.58 | 19,152.09 | 112.59 | 19,678.49 | 0.2 | 4.4 |
| 23,609.180 | 31396QTF6 | FNR 2009-67 LB 5.000% Due 08-25-39 | 104.31 | 24,627.33 | 110.74 | 26,145.32 | 0.2 | 4.5 |
| 28,542.760 | 3137BWJR6 | FHR 4667 DA 3.500% Due 06-15-41 | 103.70 | 29,599.73 | 101.94 | 29,095.78 | 0.3 | 3.4 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------|-----------|--|-----------|------------|--------|--------------|-------------|------------|
| 108,386.740 | 3136ABVF7 | FNR 2013-12 P 1.750% Due 11-25-41 | 98.28 | 106,523.84 | 100.45 | 108,869.40 | 1.0 | 1.7 |
| 17,104.540 | 38375GZY6 | FNR 2012 110KJ 3.000% Due 03-20-42 | 99.00 | 16,933.49 | 103.15 | 17,643.73 | 0.2 | 2.9 |
| 17,963.230 | 38375CWJ5 | GNR 2012-43 UA 2.000% Due 04-16-42 | 98.22 | 17,643.88 | 98.67 | 17,724.66 | 0.2 | 2.0 |
| 53,000.000 | 3136A6CX0 | FNR 2012-47 KG 3.500% Due 04-25-42 | 99.89 | 52,941.06 | 102.42 | 54,281.52 | 0.5 | 3.4 |
| 46,612.150 | 31417CLE3 | FN MA 3024 3.500% Due 06-01-42 | 102.16 | 47,617.22 | 105.35 | 49,106.63 | 0.4 | 3.3 |
| 4,318.450 | 38378HBT2 | GNR 2012-96 WA 2.000% Due 06-20-42 | 95.00 | 4,102.53 | 98.21 | 4,241.02 | 0.0 | 2.0 |
| 39,776.800 | 3137AWTR6 | FHR 4144 P 2.500% Due 12-15-42 | 100.00 | 39,776.80 | 102.80 | 40,890.86 | 0.4 | 2.4 |
| 42,417.230 | 3137FL3X0 | FHR 4863 LA 4.000% Due 02-15-43 | 101.34 | 42,987.21 | 102.57 | 43,507.49 | 0.4 | 3.9 |
| 31,903.600 | 38378WD42 | GNR 2013-137 HE 3.000% Due 06-20-43 | 101.12 | 32,262.51 | 103.18 | 32,916.79 | 0.3 | 2.9 |
| 15,806.930 | 3136AVFZ7 | FN 2017 13 CA 2.500% Due 10-25-43 | 100.09 | 15,821.79 | 101.54 | 16,050.21 | 0.1 | 2.5 |
| 16,327.830 | 3136AMQD4 | FN 2015 2PA 2.250% Due 03-25-44 | 98.92 | 16,151.79 | 103.04 | 16,824.68 | 0.1 | 2.2 |
| 12,488.550 | 3137FJAH2 | FHR 4832 DA 4.500% Due 11-15-44 | 103.17 | 12,884.67 | 103.12 | 12,878.33 | 0.1 | 4.4 |
| 45,790.340 | 3136ASLD6 | FNR 2016 31 PC 3.000% Due 03-25-45 | 97.45 | 44,622.33 | 106.67 | 48,843.63 | 0.4 | 2.8 |
| 28,963.090 | 3140E2HF1 | FN AZ9229 4.000% Due 10-25-45 | 100.39 | 29,076.22 | 107.28 | 31,070.83 | 0.3 | 3.7 |
| 37,437.110 | 38379YRU4 | GNR 2016-104 MA 3.000% Due 11-20-45 | 102.62 | 38,419.83 | 103.43 | 38,719.62 | 0.3 | 2.9 |
| 28,674.310 | 3137BMNL6 | FHR 4546 TH 2.500% Due 12-15-45 | 95.41 | 27,357.08 | 103.15 | 29,577.59 | 0.3 | 2.4 |
| 49,042.120 | 38376MR41 | GNR 2017 59P 3.000% Due 04-20-46 | 98.57 | 48,341.14 | 103.15 | 50,586.18 | 0.4 | 2.9 |
| 44,365.010 | 36179SD61 | G2 MA3725 3.000% Due 06-20-46 | 98.06 | 43,505.44 | 105.43 | 46,775.62 | 0.4 | 2.8 |
| 41,174.480 | 31418CBM5 | FN MA2743 3.000% Due 09-25-46 | 101.31 | 41,714.89 | 104.13 | 42,874.54 | 0.4 | 2.9 |
| 52,331.590 | 31418CCP7 | FN MA2777 3.000% Due 10-25-46 | 94.50 | 49,453.35 | 104.13 | 54,492.31 | 0.5 | 2.9 |
| 30,000.000 | 3136AXLD5 | FNR 2017-55 HW 3.000% Due 11-25-46 | 93.47 | 28,040.63 | 104.19 | 31,257.42 | 0.3 | 2.9 |
| 15,512.450 | 3140FNH56 | FN BE2951 3.000% Due 01-25-47 | 101.81 | 15,793.61 | 105.14 | 16,309.89 | 0.1 | 2.9 |
| 18,877.870 | 3617ATV42 | GN BB3335 2.750% Due 02-15-47 | 99.56 | 18,793.96 | 103.52 | 19,543.02 | 0.2 | 2.7 |
| 36,593.280 | 36196H4A5 | GN AX6217 2.750% Due 02-15-47 | 99.89 | 36,552.59 | 104.56 | 38,262.85 | 0.3 | 2.6 |
| 19,569.330 | 3137BXZH8 | FHR 4682 LD 2.750% Due 05-15-47 | 96.25 | 18,835.48 | 103.73 | 20,300.12 | 0.2 | 2.7 |
| 27,701.890 | 3136B2G71 | FNR 2018 69 PA 3.500% Due 05-25-47 | 99.72 | 27,623.98 | 102.07 | 28,275.41 | 0.2 | 3.4 |
| 25,613.230 | 38380F4L7 | GNR 2017 99JE 2.750% Due 06-20-47 | 100.31 | 25,693.27 | 105.25 | 26,956.92 | 0.2 | 2.6 |
| 18,373.160 | 3137F2A30 | FHR 4713 YH 2.500% Due 07-15-47 | 93.94 | 17,259.29 | 102.96 | 18,917.18 | 0.2 | 2.4 |

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| Quantity | Symbol | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|------------------------|-----------|---|-----------|----------------------|--------|----------------------|--------------|------------|
| 84,807.580 | 38380GE91 | GNR 2017 134PT 2.500% Due 09-20-47 | 98.31 | 83,376.46 | 104.95 | 89,004.63 | 0.8 | 2.4 |
| 18,538.010 | 31323ABJ0 | FG T65441 3.000% Due 10-01-47 | 98.94 | 18,341.04 | 104.60 | 19,391.05 | 0.2 | 2.9 |
| 47,653.820 | 38380XW52 | GNR 2018-115 BP 3.500% Due 11-20-47 | 98.94 | 47,147.50 | 104.58 | 49,835.47 | 0.4 | 3.3 |
| 30,000.000 | 38380UF81 | FNR 2018 1 HB 2.500% Due 01-20-48 | 96.34 | 28,903.13 | 106.39 | 31,916.02 | 0.3 | 2.3 |
| 20,000.000 | 38380WNQ8 | FNR 2018 59D 3.000% Due 04-20-48 | 94.75 | 18,950.00 | 105.78 | 21,155.47 | 0.2 | 2.8 |
| 25,000.000 | 38380X5B9 | GNMA 104PC 3.500% Due 07-20-48 | 100.50 | 25,125.00 | 111.70 | 27,924.80 | 0.2 | 3.1 |
| 61,000.000 | 38382ADS1 | GNR 2019-133 EB 2.000% Due 04-20-49 | 92.50 | 56,425.00 | 101.85 | 62,127.07 | 0.5 | 2.0 |
| 69,936.440 | 38382BQL0 | GNR 2019-162 GA 3.000% Due 10-20-49 | 100.75 | 70,460.96 | 106.79 | 74,684.47 | 0.7 | 2.8 |
| 30,000.000 | 38378BQ44 | GNR 2012-123 B 2.426% Due 12-16-51 Accrued Interest | 94.25 | 28,275.00 | 103.75 | 31,125.00 | 0.3 | 2.3 |
| | | | | 3,242,100.77 | | 8,345.07 | 0.1 | |
| | | | | | | 3,442,163.57 | 30.4 | 3.0 |
| TOTAL PORTFOLIO | | | | 11,797,949.83 | | 11,326,070.37 | 100.0 | 3.3 |

UNSUPERVISED ASSETS (USD)

| | | | | | | | | |
|--------------------------------|---------|--|-------|---------------------|-------|---------------------|--|------------|
| Bonds ETF | | | | | | | | |
| 18,184.0000 | ICVT_UN | iSHARES CONVERTIBLE BOND ETF | 59.26 | 1,077,647.48 | 54.36 | 988,482.24 | | 1.8 |
| | | | | 1,077,647.48 | | 988,482.24 | | 1.8 |
| Equitys ETF | | | | | | | | |
| 21,000.0000 | SCHH_UN | SCHWAB US REIT ETF | 40.35 | 847,289.10 | 32.74 | 687,540.00 | | 3.8 |
| | | | | 847,289.10 | | 687,540.00 | | 3.8 |
| Missing Industry Sector | | | | | | | | |
| 43,131.0340 | RERGX | AMERICAN EUROPACIFIC GROWTH FUND | 47.59 | 2,052,499.14 | 43.09 | 1,858,516.26 | | 1.6 |
| | | | | 2,052,499.14 | | 1,858,516.26 | | 1.6 |
| | | UNSUPERVISED ASSETS (U Total) | | 3,977,435.72 | | 3,534,538.50 | | 2.1 |

Mutual Fund Unsupervised (USD)

| | | | | | | | | |
|--------------------|-------|---------------------------------|-------|--------------|-------|--------------|--|-----|
| Mutual Fund | | | | | | | | |
| 39,549.158 | FXAIX | FIDELITY 500 INDEX FUND | 87.28 | 3,451,673.70 | 90.07 | 3,562,192.66 | | 3.3 |
| 53,331.980 | FSMDX | FIDELITY MID CAP INDX-INS PR | 22.01 | 1,173,851.95 | 17.24 | 919,443.34 | | 1.5 |
| 57,281.729 | FSSNX | FIDELITY SML CAP INDX | 19.24 | 1,101,937.39 | 14.59 | 835,740.43 | | 1.4 |
| | | | | 5,727,463.04 | | 5,317,376.42 | | 2.7 |

Highland Capital Management, LLC
PORTFOLIO APPRAISAL
SURFSIDE PENSION TRUST COMBINED
March 31, 2020

| <u>Quantity</u> | <u>Symbol</u> | <u>Security</u> | <u>Unit Cost</u> | <u>Total Cost</u> | <u>Price</u> | <u>Market Value</u> | <u>Pct. Assets</u> | <u>Cur. Yield</u> |
|--------------------|---------------|------------------------------|------------------|----------------------|--------------|----------------------|--------------------|-------------------|
| | | Mutual Fund Unsupervis Total | | 5,727,463.04 | | 5,317,376.42 | | 2.7 |
| GRAND TOTAL | | | | 21,502,848.59 | | 20,177,985.28 | | 2.9 |

KLAUSNER

&

KAUFMAN

**COVID-19
MESSAGE
VIRTUAL
MEETING**



A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS
ATTORNEYS AT LAW

MEMORANDUM

TO: ALL FLORIDA CLIENTS

FROM: KLAUSNER, KAUFMAN, JENSEN & LEVINSON

RE: COVID 19 MESSAGE - EXTENSION OF VIRTUAL MEETINGS UPDATE #4

DATE: APRIL 30, 2020

To continue to keep everyone safe, our office will remain in remote operation at least through the end of May, and perhaps later as public safety needs dictate. Remember you can contact any of us through the office phone line 954-916-1202 or via email.

With regard to meetings, Governor DeSantis has extended the suspension of the requirement that a quorum be present in the public meeting place with Executive Order 20-112. This allows Pension Boards of Trustees to meet via video or telephone conference. Our lawyers have been meeting with Boards using these methods and they have been very well received. Our office has the capability to host both video and telephone conferences with you through a wide variety of programs. If you have questions, please call to discuss.

We continue to experience some delay in getting IMEs set for the disability applications and so we continue to think that it will take longer than normal to process disability applications, at least until the end of May. Executive Order 20-112 opened up medical facilities to elective procedures so some doctors will be treating a back log of their patients. We expect that this could also create delays.

We continue to be committed to serve your needs during this crisis and to do our best to protect the retirement benefits of our nation's public servants. To all of you and your families, we wish good health and safety.

W:\Wdocs\LLPIBONNI\CLT\MEMO\00153756.WPD

7080 NORTHWEST 4TH STREET, PLANTATION, FLORIDA 33317

PHONE: (954) 916-1202 • FAX: (954) 916-1232
www.klausnerkaufman.com



FORM 1 FILING



MEMORANDUM

TO: Board of Trustees

FROM: Bonni S. Jensen
Fund Legal Counsel

DATE: April, 2020

RE: ANNUAL FORM 1 FILING

Attached is Commission on Ethics (CE) Form 1 "Statement of Financial Interests" which must be filed by Trustees with the Supervisor of Elections for the county in which you reside, prior to **July 1, 2020**. The instructions for filing and completing the form are also attached. Please be sure to review them again as the Form was updated last year.

Remember:

- If you are entitled to confidentiality in your address as provided by Florida Statutes 119.071, you may request the Commission on Ethics to maintain that confidentiality in writing. In the past, some trustees have used their work address or a post office box instead.
- Under the law, your CPA or personal attorney can complete this Form 1 for you.

You may complete the form online using your keyboard to fill in the information, tabbing from one section to the next. However, you must print the completed form (just pages 1 and 2), sign and date it, then send it by mail or email to the **Supervisor of Elections for the county in which you reside**. There is no current system available to file online.

It is important that you timely file this form because the penalty for failure to timely file is \$25.00 per day, to a maximum of \$1,500.00. I suggest that you file this form by certified mail, return receipt requested, and keep a photo copy of the form for your files. Several Trustees have had to show proof of filing in the past, so it is my practice to always get a receipt for such documents.

If you have any questions or if I may be of any assistance to you at all, please do not hesitate to contact me or my assistant, Dulce.

BSJ/dze
E-Copy: Administrator

00150785.WPD;1

FFCRA AND CARES ACT



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ATTORNEYS AT LAW

MEMORANDUM

To: Board of Trustees

From: Klausner, Kaufman, Jensen and Levinson

Subject: Continued Guidance on the Families First Coronavirus Response Act (FFCRA) and the CARES Act

Date: April 27, 2020

FAMILIES FIRST CORONAVIRUS RESPONSE ACT (FFCRA): GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE

§3201 (CARES)

- Section 3201 of the CARES Act amended section 6001 of the FFCRA to include a broader range of diagnostic items and services that plans and issuers must cover without any cost-sharing requirements or prior authorization or other medical management requirements.

§6001 (FFCRA)

- Section 6001 of the FFCRA applies to group health plans¹ and health insurance issuers offering group or individual health insurance coverage (including grandfathered health plans as defined in section 1251(e) of the Patient Protection and 25 U.S.C. § 553(b)(B) and (d)(3)). Does NOT apply to group health plans that do not cover at least two employees who are current employees (such as plans in which only retirees participate).
- Requires group health plans and health insurance issuers offering group or individual health insurance coverage to provide benefits for certain items and services related to diagnostic testing for the detection of SARS-CoV-2 or the

¹The term "group health plan" includes both insured and self-insured group health plans. It includes private employment-based group health plans (ERISA plans), non-federal governmental plans (such as plans sponsored by states and local governments), and church plans.

7080 NORTHWEST 4TH STREET, PLANTATION, FLORIDA 33317

PHONE: (954) 916-1202 • FAX: (954) 916-1232
www.klausnerkaufman.com



diagnosis of COVID-19 (referred to collectively in this document as COVID-19), as determined by the individual's attending healthcare provider in accordance with accepted standards of current medical practice, when those items or services are furnished on or after March 18, 2020, and during the applicable emergency period².

- Plans and issuers must provide this coverage without imposing any cost-sharing requirements (including deductibles, copayments, and coinsurance) or prior authorization or other medical management requirements.

REQUIRED COVERAGE:

- Coverage must be provided for the following items and services:

(1) An in vitro diagnostic test as defined in section 809.3 of title 21, Code of Federal Regulations, for the detection of SARS-CoV-2 or the diagnosis of COVID-19, and the administration of such a test, that—

A. Is approved, cleared, or authorized under section 510(k), 513, 515, or 564 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. §§ 360(k), 360c, 360e, 360bbb3);

B. The developer has requested, or intends to request, emergency use authorization under section 564 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bbb-3), unless and until the emergency use authorization request has been denied or the developer of such test does not submit a request within a reasonable timeframe;

C. Is developed in and authorized by a State that has notified the Secretary of HHS of its intention to review tests intended to diagnose COVID-19; or

D. Other tests that the Secretary of HHS determines appropriate in guidance.

² Generally, under section 319 of the Public Health Service (PHS) Act, a public health emergency declaration lasts until the Secretary of HHS declares that the public health emergency no longer exists, or upon the expiration of the 90-day period beginning on the date the Secretary declared a public health emergency exists, whichever occurs first. The Secretary may extend the public health emergency declaration for subsequent 90-day periods for as long as the public health emergency continues to exist, and may terminate the declaration whenever he determines that the public health emergency has ceased to exist. Unless extended or terminated earlier, the public health emergency related to COVID-19 is effective through April 25, 2020.

April 27, 2020
Covid-19 Update #4

(2) Items and services furnished to an individual during healthcare provider office visits (which includes in-person visits and telehealth visits), urgent care center visits, and emergency room visits that result in an order for or administration of an in vitro diagnostic product described in paragraph (1), but only to the extent the items and services relate to the furnishing or administration of the product or to the evaluation of the individual for purposes of determining the need of the individual for such product.

- Plans and issuers are required to provide coverage for items and services that are furnished by providers that have not agreed to accept a negotiated rate as payment in full (i.e., out-of-network providers).

1. If the plan or issuer has a negotiated rate with such provider in effect before the public health emergency declared under section 319 of the PHS Act, such negotiated rate shall apply throughout the period of such declaration.

2. If the plan or issuer does not have a negotiated rate with such provider, the plan or issuer shall reimburse the provider in an amount that equals the cash price for such service as listed by the provider on a public internet website, or the plan or issuer may negotiate a rate with the provider for less than such cash price.

- The term "visit" includes both traditional and non-traditional care settings in which a COVID-19 diagnostic test is ordered or administered, including COVID-19 drive-through screening and testing sites where licensed healthcare providers are administering COVID-19 diagnostic testing.

PLAN AMENDMENTS:

- Plans and issuers are permitted to amend the terms of a plan or coverage to add benefits, or reduce or eliminate cost sharing, for the diagnosis and treatment of COVID-19 prior to satisfying any applicable notice of modification requirements and without regard to otherwise applicable restrictions on mid-year changes to health insurance coverage.

- If a plan or issuer makes a material modification (as defined under section 102 of ERISA) in any of the terms of the plan or coverage, to include telehealth coverage, that would affect the content of the SBC that is not reflected in the most recently provided SBC, and that occurs other than in connection with a renewal or reissuance of coverage, the plan or issuer must provide notice of the modification

April 27, 2020
Covid-19 Update #4

to enrollees not later than 60 days prior to the date on which the modification will become effective, or as soon as reasonably practicable. They may either provide an updated SBC reflecting the modification or provide a separate notice describing the material modifications.

- If a plan or issuer maintains any such changes beyond the emergency period, plans and issuers must comply with all other applicable requirements to update plan documents or terms of coverage.

****States may impose additional standards or requirements on health insurance issuers with respect to the diagnosis or treatment of COVID-19, to the extent that such standards or requirements do not prevent the application of a federal requirement.**

EXCEPTED BENEFITS and EAP's:

Background:

Sections 2722 and 2763 of the PHS Act, section 732 of ERISA, and section 9831 of the Code provide that the respective requirements of title XXVII of the PHS Act, part 7 of ERISA, and Chapter 100 of the Code generally do not apply to the provision of certain types of benefits, known as "excepted benefits." Under section 2791(c)(1) of the PHS Act, section 733(c)(1) of ERISA, and section 9832(c)(1) of the Code, benefits that are generally not health coverage, including on-site medical clinics, are excepted benefits.

Limited excepted benefits, which may include limited scope vision or dental benefits, and benefits for long-term care, nursing home care, home healthcare, or community-based care are excepted only if certain conditions are met. Section 2791(c)(2)(C) of the PHS Act, section 733(c)(2)(C) of ERISA, and section 9832(c)(2)(C) of the Code authorize the Secretaries of HHS, Labor, and the Treasury (collectively, the Secretaries) to issue regulations establishing other, similar limited benefits as excepted benefits. The Secretaries exercised this authority previously with respect to certain employee assistance programs (EAPs).

- EAP's are excepted if they satisfy all of the following requirements:
 - (A) The EAP does not provide significant benefits in the nature of medical care. For this purpose, the amount, scope and duration of covered services are taken into account.
 - (B) The benefits under the EAP are not coordinated with benefits under another group health plan:

April 27, 2020
Covid-19 Update #4

(1) Participants in the other group health plan must not be required to use and exhaust benefits under the EAP (making the EAP a gatekeeper) before an individual is eligible for benefits under the other group health plan; and

(2) Participant eligibility for benefits under the EAP must not be dependent on participation in another group health plan.

(C) No employee premiums or contributions are required as a condition of participation in the EAP.

(D) There is no cost sharing under the EAP.

- The Departments' final regulations provide that for the purpose of determining whether an EAP provides benefits that are significant in the nature of medical care, the amount, scope, and duration of covered services are taken into account.

- An EAP will not be considered to provide benefits that are significant in the nature of medical care solely because it offers benefits for diagnosis and testing for COVID-19 while a public health emergency declaration under section 319 of the PHS Act related to COVID-19 or a national emergency declaration under the National Emergencies Act,²⁶ related to COVID-19 is in effect.

- Benefits offered by an employer under an EAP for diagnosis and testing for COVID-19 at an on-site medical clinic will constitute an excepted benefit in all circumstances .

****Note that guidance concerning the application of the FFCRA and the CARES Act continues to be updated frequently. This memo represents our considered view as of the date issued to the proper application after reviewing the Act and available resources.**

****FAQ's prepared jointly by the Department of Labor (DOL), Health and Human Services (HHS), and the Treasury are available at: <https://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/aca-implementation-faqs> and www.cms.gov/ccio/resources/fact-sheets-and-faqs/index.html.**

If you have any questions, email Bonni Jensen (bonni@robertdklausner.com) or Bob Klausner (bob@robertdklausner.com). This memo will be posted on our website, <https://klausnerkaufman.com> and will be updated as additional guidance becomes known.

**APPROVAL
OF
INVOICES**

APPROVAL OF INVOICES

| | | | |
|--------------------------------|------------|--------------|--------------------|
| a. Burgess Chambers | | | |
| • Invoice #20-120 | 3/2/2020 | | \$6,250.00 |
| b. Frantza Duval | | | |
| • Invoice #20-03 | 5/7/2020 | | \$ 270.00 |
| c. Gabriel Roeder Smith | | | |
| • Invoice #454020 | 4/6/2020 | | \$ 5,124.00 |
| d. Highland Capital Management | | | |
| • Invoice #23646 | 4/4/2020 | | \$ 4,214.79 |
| • Invoice #23647 | 4/4/2020 | | <u>\$ 5,677.80</u> |
| | | Total | \$ 9,892.59 |
| e. Klausner & Kaufman | | | |
| • Invoice #23751 | 4/30/2019 | | \$ 1,083.75 |
| • Invoice #25476 | 1/31/2020 | | \$ 1,574.50 |
| • Invoice #25673 | 2/27/2020 | | \$ 2,345.00 |
| • Invoice #26099 | 4/30/2020 | | \$ 1,340.00 |
| • Invoice #25892 | 3/31/2020 | | <u>\$ 3,651.50</u> |
| | | Total | \$ 9,994.75 |
| f. Marcum | | | |
| • Invoice #101346535 | 10/31/2019 | | \$ 1,774.00 |
| • Invoice #101393602 | 3/31/2020 | | \$ 3,799.00 |
| • Invoice #101410346 | 4/30/2020 | | <u>\$ 4,190.00</u> |
| | | Total | \$ 9,763.00 |
| g. Dr. Max K. Dweck | | | |
| • Invoice #21720 | 2/17/2020 | | \$ 2,500.00 |
| h. Mayte Gamiotea | | | |
| • Invoice #20-02 | 5/7/2020 | | \$ 4,590.00 |
| i. SunTrust Bank | | | |
| • Invoice #294335 | 4/17/2020 | | \$ 6,041.34 |
| j. Town of Surfside | | | |
| • Invoice #2396578193 | 3/27/2020 | | \$ 477.65 |

BURGESS CHAMBERS & ASSOCIATES, INC.
S.E.C. REGISTERED
315 E. Robinson Street, Suite 690
Orlando, Florida 32801

Invoice

| | |
|----------|-----------|
| Date | Invoice # |
| 3/2/2020 | 20-120 |

| |
|---|
| Bill To |
| Mayte D. Gamiotea, Plan Administrator Retirement Plan for the Employees of the Town of Surfside 9293 Harding Avenue Surfside FL 33154 |

| Description | Amount |
|--|----------|
| First Quarter 2020 Investment and Performance Monitoring and Advisory Fee per Contract | 6,250.00 |
| Total \$6,250.00 | |

| | |
|---------------|----------------|
| Phone # | Fax # |
| (407)644-0111 | (407) 644-0694 |

| |
|-----------------------------|
| E-mail |
| kengard@burgesschambers.com |

**Frantza Duval
345 NW 111 Terrace
Miami Shores, FL 33168**

Date: May 7, 2020

Invoice #: 20-03

Period covered: FY 2020

Bill to: Town of Surfside Pension Plan
9293 Harding Avenue
Surfside, FL 33154

| DESCRIPTION OF SERVICES | HOURS |
|--|-----------------------------------|
| <u>May 7, 2020</u> | |
| Worked on assembling Pension Board Agenda & Agenda Packet. | |
| Total hours worked for May 2020 Pension Meeting | 2.00 hours |
| <u>May 5, 2020</u> | |
| Worked on Pension Board meeting minutes for February 13, 2020 meeting. | |
| Total hours worked on the Pension Minutes | 4.00 hours |
| Total Hours | 5.75 hours total |
| | <u>@ \$ 45.00 per hour</u> |
| TOTAL INVOICE | \$270.00 |

Invoice

| Date | Invoice |
|----------|---------|
| 4/6/2020 | 454020 |

Bill To:

Please Remit To:

Attention: Ms. Mayte D. Gamiotea
 Pension Administrator
 Town of Surfside
 9293 Harding Avenue
 Surfside, Florida 33154

Dept. # 78009
 Gabriel, Roeder, Smith & Company
 PO Box 78000
 Detroit, Michigan 48278-0009

| Federal Tax ID |
|----------------|
| 38-1691268 |

Client 101260

Amount

Professional actuarial and consulting services rendered on behalf of the Retirement Plan for Employees of the Town of Surfside

FIXED-FEE VALUATION SERVICES for the quarter ended March 31, 2020 including: 3,068.00

- Progress work on October 1, 2019 Actuarial Valuation
- Estimate of Retirement Income (Gonzalez - 2/4)
- Estimate of Retirement Income (Tavarez - 3/24)
- Estimate of Retirement Income (Milian - 3/26)

SPECIAL CONSULTING SERVICES rendered during quarter ended March 31, 2020 including:

- Response to auditor questionnaire (1/13) 932.00
- Preparation and delivery of DROP account statement as of December 31, 2019 for one (1) member per engagement letter dated January 21, 2014 (Rodriguez - 1/28) 282.00
- Preparation and delivery of required Actuarial Certification of State Moneys for 2019 Annual Report (3/6) 842.00

Amount Due \$5,124



April 4, 2020

Invoice Number: 23646

MANAGEMENT FEE:

SURFSIDE PENSION TRUST FIXED INCOME

3/31/2020 Portfolio Value: \$ 6,743,659.15

Quarterly Fee Based On:

\$ 6,743,659 @ 0.25% per annum \$ 4,214.79

Quarterly Fee:

For the Period 4/1/2020 through 6/30/2020

\$ 4,214.79

Paid by Debit Direct (\$ 0.00)

Please Remit \$ 4,214.79

Wiring Instructions:

First Tennessee Bank

ABA# 084000026

Acct# 22-0001278809

For Credit to: Highland Capital Management, LLC.

Mailing Check:

Highland Capital Management, LLC

6075 Poplar Ave, Suite 703

Memphis, TN 38119

*****Note new checking account number*****



April 4, 2020

Invoice Number: 23647

MANAGEMENT FEE:

SURFSIDE PENSION TRUST VALUE

3/31/2020 Portfolio Value: \$ 4,542,238.18

Quarterly Fee Based On:

\$ 4,542,238 @ 0.50% per annum \$ 5,677.80

Quarterly Fee: \$ 5,677.80

For the Period 4/1/2020 through 6/30/2020

Paid by Debit Direct (\$ 0.00)

Please Remit \$ 5,677.80

Wiring Instructions:

First Tennessee Bank

ABA# 084000026

Acct# 22-0001278809

For Credit to: Highland Capital Management, LLC.

Mailing Check:

Highland Capital Management, LLC

6075 Poplar Ave, Suite 703

Memphis, TN 38119

*****Note new checking account number*****

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

TOWN OF SURFSIDE POLICE
Attn: LOXLEY ARCH, III
OFFICERS RETIREMENT TRUST FUND
9293 HARDING AVENUE
SURFSIDE, FL 33154

April 30, 2019
Bill # 23751

CLIENT: TOWN OF SURFSIDE POL. OFF. RETIRE. TRUST FUND : SURF
MATTER: TOWN OF SURFSIDE POLICE OFFICERS - PENSION : 080032

Professional Fees

| Date | Description | Hours | Amount |
|---------------------------|--|-------------|-------------------|
| 04/02/19 | PREPARE MEMO RE IRC CHANGE/ALIMONY | 0.10 | 30.00 |
| 04/04/19 | REVIEW INTERROGATORIES AND DISABILITY APPLICATION FOR MICHAEL ROSS | 1.50 | 450.00 |
| 04/05/19 | REVIEW APPLICATION, DRAFT LETTER & COMPILE/SEND INTERROGATORIES AND MEDICAL RELEASE TO APPLICANT | 1.50 | 450.00 |
| 04/15/19 | RESEARCH ADA COMPLIANCE FOR DOCUMENTS & WEBSITES | 0.50 | 150.00 |
| Total for Services | | 3.60 | \$1,080.00 |

Costs

| Date | Description | Amount |
|--------------------|---------------------------|---------------|
| | PHOTOCOPIES thru 04/30/19 | 3.75 |
| Total Costs | | \$3.75 |

CURRENT BILL TOTAL AMOUNT DUE

\$ 1,083.75

Past Due Balance

120.00

AMOUNT DUE

\$1,203.75

Due

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

SURFSIDE EMPLOYEES RETIREMENT PENSION
Attn: MS. MAYTE D. GAMIOTEA, ADMIN.
9293 HARDING AVENUE
SURFSIDE, FL 33154

January 31, 2020
Bill # 25476

CLIENT: SURFSIDE EMPLOYEES RETIREMENT PENSION
MATTER: SURFSIDE EMPLOYEES' RETIRE. PENSION

: SURFSIDE
: 060037

Professional Fees

| Date | Description | Hours | Amount |
|---------------------------|-------------------------------|-------------|-------------------|
| 01/08/20 | DRAFTED AUDIT LETTER | 1.00 | 335.00 |
| 01/10/20 | REVIEW CHAPTER 117 ISSUES | 0.10 | 33.50 |
| 01/14/20 | ATTENDED TOWN COUNCIL MEETING | 3.50 | 1,172.50 |
| 01/14/20 | DRAFTED SECURE ACT MEMO | 0.10 | 33.50 |
| Total for Services | | 4.70 | \$1,574.50 |

CURRENT BILL TOTAL AMOUNT DUE

\$ 1,574.50

Past Due Balance

8,475.50

AMOUNT DUE

\$10,050.00

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

SURFSIDE EMPLOYEES RETIREMENT PENSION
Attn: MS. MAYTE D. GAMIOTEA, ADMIN.
9293 HARDING AVENUE
SURFSIDE, FL 33154

February 27, 2020
Bill # 25673

CLIENT: SURFSIDE EMPLOYEES RETIREMENT PENSION : SURFSIDE
MATTER: SURFSIDE EMPLOYEES' RETIRE. PENSION : 060037

Professional Fees

| Date | Description | Hours | Amount |
|---------------------------|---|-------------|-------------------|
| 02/03/20 | REVIEW LETTER FROM AVENTURA HOSPITAL RE: DONLAD MCGAVERN, SEND NEW MEDICAL RELEASE TO RICHARD SICKING | 0.20 | 67.00 |
| 02/05/20 | SEND ADDITIONAL REQUEST, EMAIL TO IME DR | 0.20 | 67.00 |
| 02/06/20 | REVIEW AGENDA AND PACKET | 0.70 | 234.50 |
| 02/13/20 | ATTENDED BOARD MEETING | 5.00 | 1,675.00 |
| 02/14/20 | DRAFTED EMAIL TO OBTAIN CYBERQUOTE; REVIEW FILE | 0.20 | 67.00 |
| 02/18/20 | REVIEW IME; REVIEW FILE | 0.70 | 234.50 |
| Total for Services | | 7.00 | \$2,345.00 |

CURRENT BILL TOTAL AMOUNT DUE

\$ **2,345.00**

Past Due Balance

1,574.50

AMOUNT DUE

\$3,919.50

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

SURFSIDE EMPLOYEES RETIREMENT PENSION
Attn: MS. MAYTE D. GAMIOTEA, ADMIN.
9293 HARDING AVENUE
SURFSIDE, FL 33154

April 30, 2020
Bill # 26099

CLIENT: SURFSIDE EMPLOYEES RETIREMENT PENSION : SURFSIDE
MATTER: SURFSIDE EMPLOYEES' RETIRE. PENSION : 060037

Professional Fees

| Date | Description | Hours | Amount |
|---------------------------|--|-------------|-------------------|
| 04/13/20 | REVIEW PLAN DOCUMENT AND DRAFT VIRTUAL MEETING POLICY. EMAIL TO MAYTE G. | 1.00 | 335.00 |
| 04/13/20 | REVIEW EMAILS; CALL TO MAYTE; DRAFTED EMAIL; CONFERRED WITH RDK; REVIEWED FILE | 1.00 | 335.00 |
| 04/15/20 | RECEIPT AND REVIEW EMAIL FROM ACTUARY; REVIEW FILE | 0.50 | 167.50 |
| 04/16/20 | PHONE CALL WITH RICHARD SICKING RE: MCGAVERN DEATH BENEFIT, DISCUSSION WITH A. LEVINSON RE: DESIGNATION OF BENEFICIARY | 0.30 | 100.50 |
| 04/16/20 | REVIEW FILE RE MCGAVERN; DRAFTED EMAILS; CONFERRED WITH RDK | 0.50 | 167.50 |
| 04/22/20 | REVIEW EMAILS; DRAFTED EMAIL RE MCGAVERN | 0.20 | 67.00 |
| 04/30/20 | CALL FROM TOWN; REVIEW FILE | 0.50 | 167.50 |
| Total for Services | | 4.00 | \$1,340.00 |

CURRENT BILL TOTAL AMOUNT DUE

\$ 1,340.00

Past Due Balance

3,651.50

AMOUNT DUE

\$4,991.50

Klausner, Kaufman, Jensen & Levinson

A Partnership of Professional Associations
Attorneys At Law
7080 N.W. 4th Street
Plantation, Florida 33317

Tel. (954) 916-1202
Fax (954) 916-1232

www.klausnerkaufman.com
Tax I.D.: 45-4083636

SURFSIDE EMPLOYEES RETIREMENT PENSION
Attn: MS. MAYTE D. GAMIOTE, ADMIN.
9293 HARDING AVENUE
SURFSIDE, FL 33154

March 31, 2020
Bill # 25892

CLIENT: SURFSIDE EMPLOYEES RETIREMENT PENSION
MATTER: SURFSIDE EMPLOYEES' RETIRE. PENSION

: SURFSIDE
: 060037

Professional Fees

| Date | Description | Hours | Amount |
|---------------------------|---|--------------|-------------------|
| 03/02/20 | REVIEW DEATH OF DEFERRED VESTED MEMBER ISSUE | 2.00 | 670.00 |
| 03/03/20 | DRAFTING MEMO RE BAMBAS | 2.00 | 670.00 |
| 03/04/20 | RESEARCH AND DRAFT NOTARY MEMO. | 0.20 | 67.00 |
| 03/04/20 | RESEARCH AND DRAFT NOTARY MEMO. | 0.20 | 67.00 |
| 03/05/20 | REVIEW "LIFE ONLY" ISSUES | 1.20 | 402.00 |
| 03/05/20 | REVIEW BAMIS ISSUE; CALL TO ACTUARY; REVIEW PLAN | 2.00 | 670.00 |
| 03/06/20 | REVIEW EMAIL AND ACTUARIAL CONFIRMATION; | 0.50 | 167.50 |
| 03/16/20 | RESEARCH SUNSHINE LAW / MEETING ISSUES | 0.30 | 100.50 |
| 03/16/20 | RESEARCH SUNSHINE LAW / MEETING ISSUES | 0.30 | 100.50 |
| 03/19/20 | DRAFTED LETTER/NOTICE FOR RETIREES | 0.50 | 167.50 |
| 03/20/20 | REVIEW EXECUTIVE ORDER 20-89 AND POLICY | 0.20 | 67.00 |
| 03/27/20 | REVIEW EMAILS RE MCGAVERN; DRAFTED EMAILS; REVIEW CONVERSION ISSUE | 0.50 | 167.50 |
| 03/27/20 | REVIEW EFFECT OF DEATH ON PENDING DISABILITY | 1.00 | 335.00 |
| Total for Services | | 10.90 | \$3,651.50 |

Continued . . .

Client: SURFSIDE EMPLOYEES RETIREMENT PENSION
Matter: 060037 - SURFSIDE EMPLOYEES' RETIRE. PENSION

March 31, 2020
Page 2

CURRENT BILL TOTAL AMOUNT DUE

\$ 3,651.50

Past Due Balance

~~3,919.50~~

pd.

AMOUNT DUE

\$7,571.00



Invoice Date: 10/31/2019 Invoice #: 101346535
Payment Terms: Due Upon Receipt Engagement #: 10316495
Client #: 108917

TOWN OF SURFSIDE

9293 HARDING AVENUE
SURFSIDE, FL 33154

Send Payment To: Marcum LLP
One SE Third Ave, Suite 1100
Miami, FL 33131
Please refer to invoice number with your payment

Wire & ACH only: TD Bank
855 Franklin Ave
Garden City, NY 11530
ABA #: 026013673 Account #:7915750397
Please reference invoice number

Please return top portion with remittance.

Amount enclosed \$ _____

For Professional Services Rendered:

Billing for the audit of The Town's Retirement Plan financial statements for the fiscal year ended September 30, 2019 1,774.00

| Name | Hours |
|--------------|-------|
| M. Futterman | 0.30 |
| B. Lopez | 2.00 |
| H. Garzon | 9.50 |

New Charges \$ 1,774.00

Amounts past due 60 days from the invoice date will incur a finance charge of 1% per month.





Invoice Date: 3/31/2020 Invoice #: 101393602
Payment Terms: Due Upon Receipt Engagement #: 10316495
Client #: 108917

TOWN OF SURFSIDE

9293 HARDING AVENUE
SURFSIDE, FL 33154

Send Payment To: Marcum LLP
One SE Third Ave, Suite 1100
Miami, FL 33131
Please refer to invoice number with your payment

Wire & ACH only: TD Bank
855 Franklin Ave
Garden City, NY 11530
ABA #: 026013673 Account #:7915750397
Please reference invoice number

Please return top portion with remittance.

Amount enclosed \$ _____

For Professional Services Rendered:

Billing for the audit of the Town's Retirement Plan for the fiscal year ended September 30, 2019 3,799.00

| Name | Hours |
|-----------|-------|
| B. Lopez | 3.00 |
| L. Miller | 26.00 |
| A Holmes | 2.00 |

New Charges \$ 3,799.00

Amounts past due 60 days from the invoice date will incur a finance charge of 1% per month.



MARCUM
ACCOUNTANTS ▲ ADVISORS

Invoice Date: 4/30/2020 Invoice #: 101410346
Payment Terms: Due Upon Receipt Engagement #: 10316495
Client #: 108917

TOWN OF SURFSIDE

9293 HARDING AVENUE
SURFSIDE, FL 33154

Send Payment To: Marcum LLP
One SE Third Ave, Suite 1100
Miami, FL 33131
Please refer to invoice number with your payment

Wire & ACH only: TD Bank
855 Franklin Ave
Garden City, NY 11530
ABA #: 026013673 Account #: 7915750397
Please reference invoice number

Please return top portion with remittance.

Amount enclosed \$ _____

For Professional Services Rendered :

Billing for the audit of the Town's Retirement Plan for the fiscal year ended September 30, 2019 4,190.00

| NAME | HOURS |
|--------------|-------|
| M. FUTTERMAN | 0.20 |
| B. LOPEZ | 4.00 |
| J. RELYEA | 18.00 |
| J. DILUCA | 0.75 |

New Charges \$ 4,190.00

Amounts past due 60 days from the invoice date will incur a finance charge of 1% per month.





Max K. Dweck, M.D., F.A.C.C
Lauren Hodges, PA-C, M.M.S.

Memorial West Office Complex
603 N. Flamingo Road, Suite 358
Pembroke Pines, FL 33028
Tel: 954-438-9800 • Fax: 954-438-7544

Feb. 17, 2020

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

Dear Anna,

Please remit to Dr. Max Dweck the amount of \$2,500.00 for 5 billable hours @ \$500.00/HR. These charges represent the agreed upon rate to be paid for the IME case of Donald McGavern. Dr. Dwecks W-9 is attached in this packet as well and would like the check mailed to his office address of 603 North Flamingo Road #358, Pembroke Pines FL 33028.

Thank-you in advance for your prompt attention.

Sincerely,

Jenna Hinely
Billing Manager

**Mayte D Gamiotea
5500 NW 180 Terrace
Miami, FL 33055**

Date: 5/07/2020

Invoice #: 20-02

Period covered: FY 2020 (February 1, 2020 thru May 7, 2020)

Bill to: Retirement Plan of the Employees of the Town of Surfside
9293 Harding Avenue
Surfside, FL 33154

DESCRIPTION OF SERVICES FOR THIRD PARTY ADMINISTRATOR

February 2020 – May 7 2020

- Worked on the schedules for FY 2020 with the auditors for the financials and actuarial reports. FY 2020 schedules for monthly activities, prepared journal entries for the current accounting periods. Reviewed all accounts, sent letter to the terminated employee's, and retirees.
- Reviewed the draft financial report from the auditors to create the MD&A.
- Assisted some employees on questions and responded to retiree's questions via email on response to the up coming new dates for former vested employee's wanting to get their calculations of benefits. Assisted with the DROP application for interested employee's.
- Worked on the FY 2020 accounting with the check registers. Obtained all the current months schedules from each of the consultants, SunTrust Portfolio, New Tower Portfolio, Cohen & Steers, and all benefit schedules.
- Calculations of refunds due to separated employee's request.

Total hours worked 102 Hours for 3 months (February 1, 2020 – May 7, 2020)

| | |
|---------------------------------------|----------------------------------|
| Pension Accounting Total Hours worked | 102 hours |
| Total Hours | <u>102 Hours Total</u> |
| | <u>@ \$45.00 per hour</u> |

TOTAL INVOICE **\$ 4,590.00**

SURFSIDE PENSION TRUST CUST
STATEMENT OF ACCOUNT

Invoice Account 6895223
Billing Period 01/01/2020 - 03/31/2020
Invoice Number 294335
Date Issued 04/17/2020

TOWN OF SURFSIDE
MAYTE D. GAMIOTEA
9293 HARDING AVENUE
SURFSIDE FL 33154

Your contact at SunTrust for this account is

*Kathy Kraiss
200 South Orange Avenue
Orlando FL 32801
407-237-5216*

| | |
|---|-------------------------|
| Opening Balance | \$7,294.64 |
| Payments received through 04/16/2020 | (\$7,294.64) |
| Current Period Charges | \$6,041.34 |
| Current Balance Due | \$6,041.34** |

The following is a summary of fees and expenses pertaining to this account

| | |
|---|-----------------------|
| Administrative/Trustee Services | \$6,041.34 |
| Total Current Period Charges | \$6,041.34 |

**** Payment is due within 30 days of invoice date.**
SunTrust Bank
P.O. Box 26489
Richmond, VA 23261-6489

SURFSIDE PENSION TRUST CUST

Invoice Number 294335
Billing Period 01/01/2020 - 03/31/2020

Administrative/Trustee Services

| | | | | | |
|------------------|---------------|---|----------------------------|--|------------|
| Market Value Fee | 20,137,812.30 | @ | 0.0012 each annually x 1/4 | 6,041.34 | |
| | | | | Total Administrative/Trustee Services | \$6,041.34 |

Total Current Period Fees and Expenses **\$6,041.34**

Office DEPOT, Inc.

Office Depot, Inc
PO BOX 630813
CINCINNATI OH
45263-0813

THANKS FOR YOUR ORDER

IF YOU HAVE ANY QUESTIONS
OR PROBLEMS, JUST CALL US
FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT: (800) 721-6592

FEDERAL ID:59-2663954

| | | |
|----------------|------------|-------------|
| INVOICE NUMBER | AMOUNT DUE | PAGE NUMBER |
| 2396578193 | 477.65 | Page 2 of 2 |
| INVOICE DATE | TERMS | PAYMENT DUE |
| 27-MAR-20 | Net 30 | 02-MAY-20 |

BILL TO:

000264-000080
ATTN: ACCTS PAYABLE
TOWN OF SURFSIDE
9293 HARDING AVE
SURFSIDE FL 33154-3009

SHIP TO:



TOWN OF SURFSIDE
9293 HARDING AVE
SURFSIDE FL 33154-3009

| | | | | | | | |
|-------------------------------|---------------------------------|------------|--------------|------------|--------------|---------------|-------------------|
| ACCOUNT NUMBER | PURCHASE ORDER | SHIP TO ID | ORDER NUMBER | ORDER DATE | SHIPPED DATE | | |
| 28665038 | | BILLTO | 2396578193 | 27-MAR-20 | 27-MAR-20 | | |
| BILLING ID | ACCOUNT MANAGER | RELEASE | ORDERED BY | DESKTOP | COST CENTER | | |
| 17521 | | B | | | | | |
| CATALOG ITEM #/ MANUF CODE | DESCRIPTION/ CUSTOMER ITEM # | U/M TAX | QTY ORD | QTY SHP | QTY B/O | UNIT PRICE | EXTENDED PRICE |

Pensioner Supplies

000264-000080

| | |
|-----------|--------|
| SUB-TOTAL | 477.65 |
| DELIVERY | 0.00 |
| SALES TAX | 0.00 |
| TOTAL | 477.65 |

All amounts are based on USD currency

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

DETACH HERE

| | | | | | |
|------------------|------------|----------------|--------------|----------------|-----------------|
| CUSTOMER NAME | BILLING ID | INVOICE NUMBER | INVOICE DATE | INVOICE AMOUNT | AMOUNT ENCLOSED |
| TOWN OF SURFSIDE | 17521 | 2396578193 | 27-MAR-20 | 477.65 | |

FL0 000175216 0023965781935 00000047765 1 3

Please Send Your Check to: OFFICE DEPOT, INC.
PO Box 1413
Charlotte NC 28201-1413

Please return this stub with your payment to ensure prompt credit to your account.

Please DO NOT staple or fold. Thank You.

Office DEPOT, Inc.

Office Depot, Inc
PO BOX 630813
CINCINNATI OH
45263-0813

ORIGINAL INVOICE

10000

THANKS FOR YOUR ORDER

IF YOU HAVE ANY QUESTIONS
OR PROBLEMS. JUST CALL US

FOR CUSTOMER SERVICE ORDER: (888) 263-3423
FOR ACCOUNT: (800) 721-6592

FEDERAL ID: 59-2663954

| INVOICE NUMBER | AMOUNT DUE | PAGE NUMBER |
|----------------|------------|-------------|
| 2396578193 | 477.65 | Page 1 of 2 |
| INVOICE DATE | TERMS | PAYMENT DUE |
| 27-MAR-20 | Net 30 | 02-MAY-20 |

BILL TO:

ATTN: ACCTS PAYABLE
TOWN OF SURFSIDE
9293 HARDING AVE
SURFSIDE FL 33154-3009

SHIP TO:

TOWN OF SURFSIDE
9293 HARDING AVE
SURFSIDE FL 33154-3009

000264-000080



| ACCOUNT NUMBER | PURCHASE ORDER | SHIP TO ID | ORDER NUMBER | ORDER DATE | SHIPPED DATE |
|----------------|-----------------|------------|--------------|------------|--------------|
| 28665038 | | BILLTO | 2396578193 | 27-MAR-20 | 27-MAR-20 |
| BILLING ID | ACCOUNT MANAGER | RELEASE | ORDERED BY | DESKTOP | COST CENTER |
| 17521 | | B | | | |

| CATALOG ITEM #/ MANUF CODE | DESCRIPTION/ CUSTOMER ITEM # | U/M | QTY ORD | QTY SHP | QTY B/O | UNIT PRICE | EXTENDED PRICE |
|-------------------------------|---------------------------------|-----|------------|------------|------------|---------------|-------------------|
|-------------------------------|---------------------------------|-----|------------|------------|------------|---------------|-------------------|

Note: SPC 80110844912 Date: 27-MAR-20 Location: 2699 Register: 005 Trans #: 07317

| | | | | | | | |
|---------|----------------------------|----|---|---|---|---------|--------|
| 142842 | CART,ROLLING,ATV,BLK | EA | 1 | 1 | 0 | 38.980 | 38.98 |
| 776897 | CARTRIDGE,TPE,3/8",BLK ON | EA | 1 | 1 | 0 | 8.100 | 8.10 |
| 176214 | DIVIDER,WRTON,5TB,1PK | PK | 2 | 2 | 0 | 3.990 | 7.98 |
| 289794 | Naturesmart Ms Pd Turtle | EA | 1 | 1 | 0 | 7.990 | 7.99 |
| 211987 | BINDER,INP,VW,DR,1.5",NAVY | EA | 1 | 1 | 0 | 4.740 | 4.74 |
| 487892 | MOUSE,WIRELESS,M720 | EA | 1 | 1 | 0 | 42.490 | 42.49 |
| 9487473 | EARBUDS,LIGHTNING,PLUG,M | EA | 1 | 1 | 0 | 19.990 | 19.99 |
| 644423 | CABLE,HDMI,ETHERNET,8FT, | EA | 1 | 1 | 0 | 13.490 | 13.49 |
| 535872 | STAPLES,HD,3/4",90-160,100 | BX | 1 | 1 | 0 | 4.750 | 4.75 |
| 152084 | TABS,DURABLE,2",24PK,ASTD | PK | 2 | 2 | 0 | 4.390 | 8.78 |
| 587454 | BATTERY, ALKA, AA, 10 | PK | 1 | 1 | 0 | 11.490 | 11.49 |
| 163460 | STAPLER,ELECTRIC,HEAVY | EA | 1 | 1 | 0 | 69.990 | 69.99 |
| 431632 | HEWLETT | EA | 1 | 1 | 0 | 88.070 | 88.07 |
| 495549 | STAPLER,HEAVY DUTY,PLT | EA | 1 | 1 | 0 | 46.830 | 46.83 |
| 605703 | LABELER,HANDHELD,PERSON | EA | 1 | 1 | 0 | 19.990 | 19.99 |
| 431632 | HEWLETT | EA | 1 | 1 | 0 | 119.990 | 119.99 |
| 431632 | Coupon Discount | EA | 1 | 1 | 0 | -36.000 | -36.00 |

000264-000080

To ensure timely and accurate application of your payment, please include the following on your remittance: account number, invoice number, and the amount you are paying for each invoice.

TOWN OF SURFSIDE
MAR 23 10:24 AM

CONTINUED ON NEXT PAGE...