

# Pensacola Firefighters' Relief and Pension Fund

## Investment Performance Period Ending September 30, 2017

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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.



# Pensacola Firefighters' Relief and Pension Fund

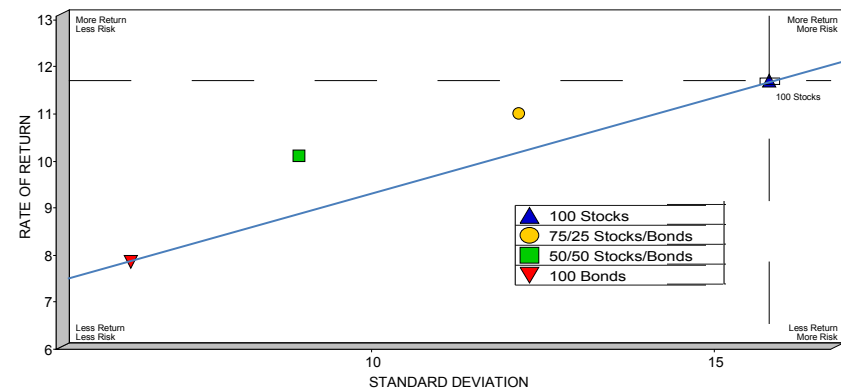
## BCA Market Perspective ©

### Bonds Place in a Bull Market

Mitchel Brennan  
October 2017

As the markets sit today, investors find themselves in uncharted waters. For over three decades, bonds have been an integral part to any well diversified investment portfolio, enjoying one of the longest secular bull markets in market history. This run has benefitted immensely from Fed actions and quantitative easing; but now, that accommodative environment is changing. The Federal Reserve looks to unwind their balance sheet and move US interest rates back to a more normalized level. Should investors maintain their position in fixed income with the prospect of rising interest rates?

In December 2015, the Fed began the process of raising the Federal Funds Rate, which has resulted in 4 rate hikes, raising the target from 0.25% to 1.25%. It is anticipated there will be an additional hike in December 2017 and three more for 2018. Most investors fear negative returns from bonds if rates rise, but what is the actual downside if they do? Right now the Bloomberg Barclay's Aggregate Bond Index (BBAG Index), the most widely used bond benchmark, has a duration of 6.1 years and an average coupon of 3.03%. That means if rates were to rise by 100 basis points (1.00%) you would expect a total return of roughly -3.0% from the index. The logical follow up questions are: "what is the worst case scenario for bonds?" and "how does that compare to the potential downside risk associated with equities?"



Historically, bonds have allowed investors to preserve capital with significantly less downside risk compared to stocks. The three worst drawdowns for bonds (BBAG Index) since 1980 were drops of -8.99% (6/1980-9/1981), -5.15% (1/1994-6/1994), and -4.89% (2/1987-9/1987). To put that into perspective, over the same time period US Equities (S&P 500 Index) have averaged intra-year drops of -14.1% (JPMorgan Market Insights), including drops of -50.95% (10/2007-2/2009), -44.73% (8/2000-9/2002), and -29.58% (8/1987-11/1987).

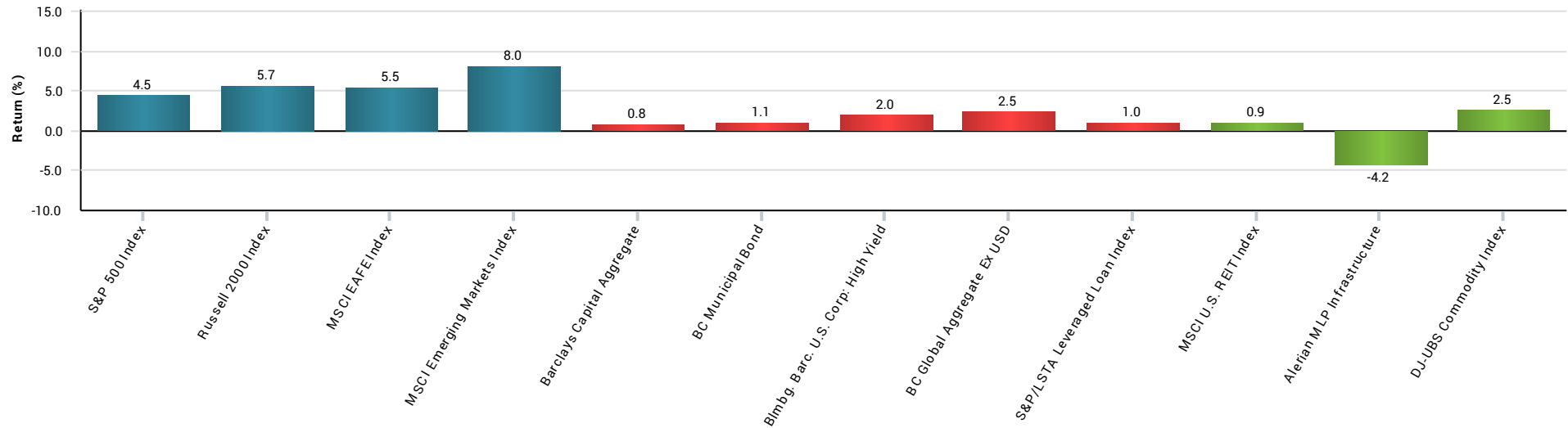
Complementing an equity portfolio with bonds helps generate alpha while reducing volatility, as illustrated above. Adding just 25% bonds to a portfolio reduces standard deviation by 23% and beta by 24% while only sacrificing 0.7% in total return. Adding 50% bonds reduces standard deviation by 44% and beta by 47% while only sacrificing 1.6% in total return.

US stocks are in the second longest equity bull market, at 103 months and counting. Considering that historical bull markets have averaged a length of only 54 months, seeing a correction of 10% or more would not be out of the question. With that in mind, bonds still belong as a capital preserver and income producer in a well diversified investment portfolio.

Source: JPMorgan: Market Insights, September 2017. PSN.

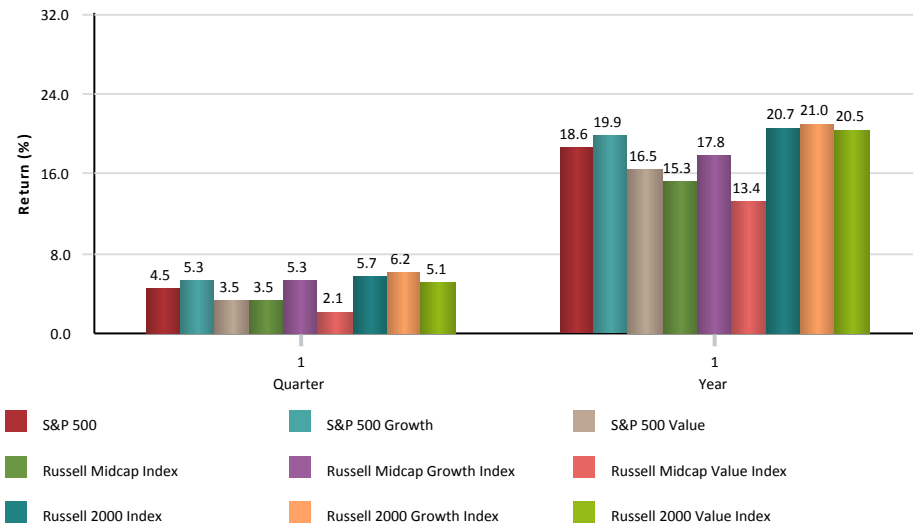
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## 1 Quarter Performance



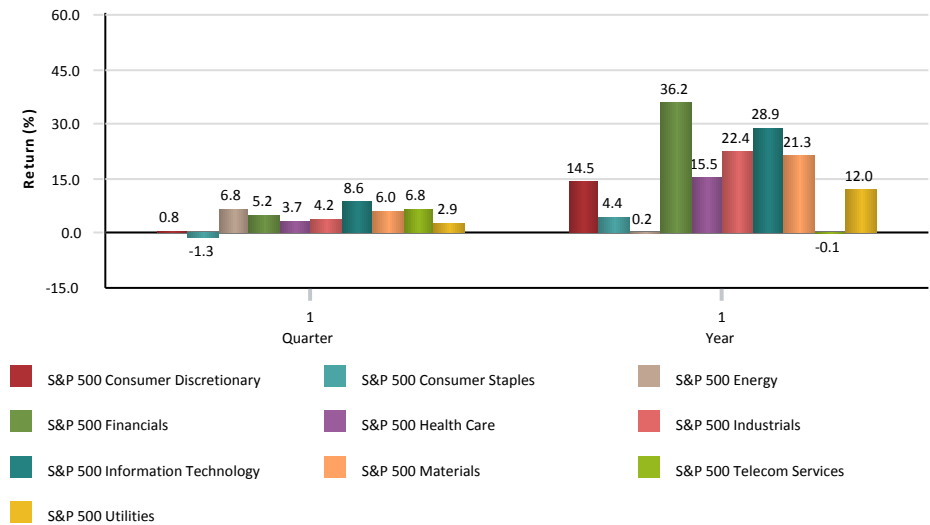
Source: Investment Metrics, LLC

## US Market Indices Performance



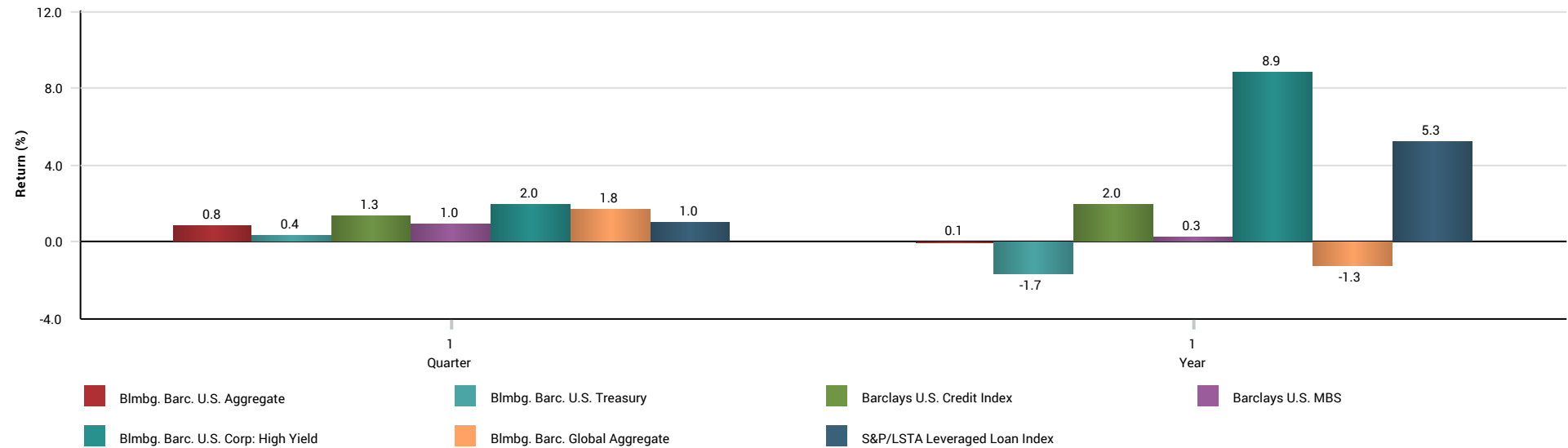
Source: Investment Metrics, LLC

## US Market Sector Performance



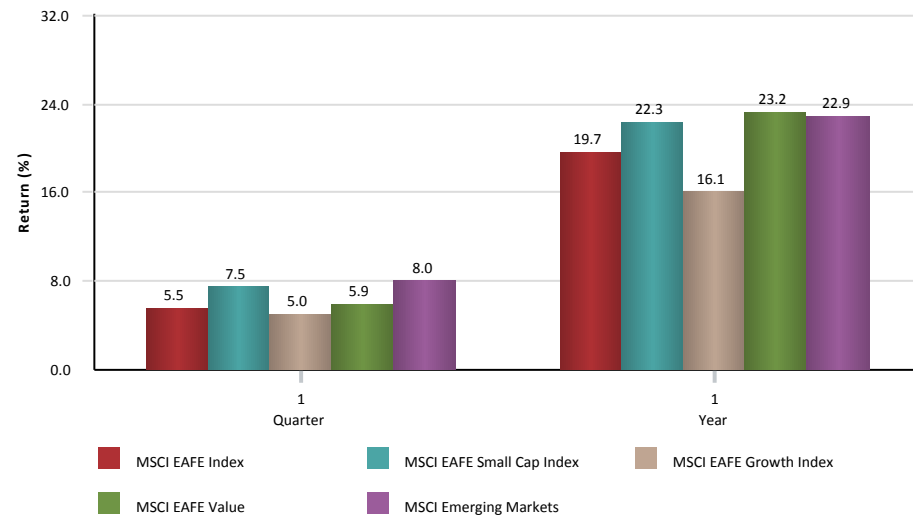
Source: Investment Metrics, LLC

## Fixed Income Market Sector Performance



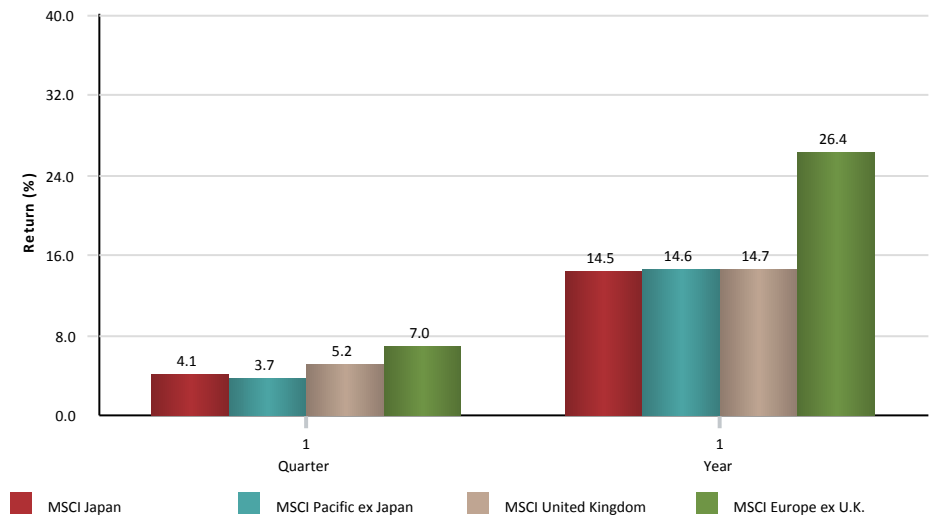
Source: Investment Metrics, LLC

## Intl Equity Indices Performance



Source: Investment Metrics, LLC

## Intl Equity Region Performance



Source: Investment Metrics, LLC

**Pensacola Firefighters' Relief and Pension Fund**  
**Total Fund**  
**Investment Summary**  
**September 30, 2017**

- o For the quarter, the total Fund returned +3.1% (gross), +3.0% (net) vs. +3.2% for the benchmark.
- o For the one-year period, the total Fund had an investment gain of \$13.2 million or +12.0% (gross), +11.3% (net) vs. +11.8% for the benchmark.
- o Ceredex returned +4.2% vs. +3.1% for the benchmark for the quarter.
- o Wedge returned +3.9% for the quarter versus +3.1% for the benchmark.
- o Polen returned +4.0% for the quarter, underperforming the benchmark (+5.9%).
- o Sawgrass returned +4.0% for the quarter, underperforming the benchmark return of +5.9%.
- o DRZ small cap value posted a return of +5.7%, outperforming the benchmark (+5.1%).
- o Baron small cap growth underperformed the benchmark for the quarter (+3.9% vs. +6.2%).
- o EuroPacific growth had a strong quarter posting +7.0% vs. +5.5%, while TS&W International Cap Equity returned +4.0% vs. +5.5% for the benchmark.
- o Advent returned +3.8% (gross) for the quarter vs. +3.8% for the benchmark. SSI returned +3.3% (gross).
- o Salient MLP returned -1.7% and Westwood MLP returned -1.6%, as compared to the benchmark return of -3.0%
- o Integrity outperformed the benchmark (+0.8% vs. +0.6%) for the quarter. Garcia Hamilton returned (+0.5%).
- o The UBS Property Fund returned +1.5% for the quarter and +5.4% for the year.
- o For the three-year and five-year periods, the total Fund averaged +6.7% and +9.1%, per year (gross of fees). These returns ranked in the top 48% for three years and the top 23% for five years in the Public Funds Universe.



**Pensacola Firefighters' Relief and Pension Fund**  
**Total Fund**  
**Investment Policy Review**  
**September 30, 2017**

|  | <u><b>Yes</b></u>                   | <u><b>No</b></u>                    |
|--|-------------------------------------|-------------------------------------|
| The total Fund's annualized three-year performance achieved the 7.75% actuarial assumption rate.                           | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| The total Fund's annualized three-year performance achieved the target index.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| The total Fund's annualized three-year performance ranked in the top 50th percentile.                                      | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| The total Fund's annualized five-year performance achieved the 7.75% actuarial assumption rate.                            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| The total Fund's annualized five-year performance achieved the target index.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| The total Fund's annualized five-year performance ranked in the top 50th percentile.                                       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <br>   |                                     |                                     |
| Ceredex large-cap value equity annualized three-year performance achieved the Russell 1000 Value.                          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Ceredex large-cap value equity annualized three-year performance ranked in the top 50th percentile.                        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Ceredex large-cap value equity annualized five-year performance achieved the Russell 1000 Value.                           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Ceredex large-cap value equity annualized five-year performance ranked in the top 50th percentile.                         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Foreign securities were limited to 5% (at market) of the Ceredex large-cap value equity portfolio.                         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 10% of the equity portfolio.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| No more than 7% (at cost) of the Ceredex large-cap value equity was invested in the shares of a single corporate issuer.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| <br>   |                                     |                                     |
| Polen large cap growth equity annualized three-year performance achieved the Russell 1000 Growth.                          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Polen large-cap growth equity annualized three-year performance ranked in the top 50th percentile.                         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Polen large cap growth equity annualized five-year performance achieved the Russell 1000 Growth.                           | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Polen large-cap growth equity annualized five-year performance ranked in the top 50th percentile.                          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Foreign securities were limited to 10% (at market) of the Polen large cap growth equity portfolio.                         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 10% of the equity portfolio.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| No more than 10% (at market) of the Polen large cap growth equity was invested in the shares of a single corporate issuer. | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Total Fund**  
**Investment Policy Review (continued)**  
**September 30, 2017**

|  | <u><b>Yes</b></u>                   | <u><b>No</b></u>                    |
|--|-------------------------------------|-------------------------------------|
| Sawgrass large-cap growth equity annualized three-year performance achieved the Russell 1000 Growth.                     | N/A                                 | N/A                                 |
| Sawgrass large-cap growth equity annualized three-year performance ranked in the top 50th percentile.                    | N/A                                 | N/A                                 |
| Sawgrass large-cap growth equity annualized five-year performance achieved the Russell 1000 Growth.                      | N/A                                 | N/A                                 |
| Sawgrass large-cap growth equity annualized five-year performance ranked in the top 50th percentile.                     | N/A                                 | N/A                                 |
| Foreign securities were limited to 5% (at market) of the Sawgrass large-cap growth equity portfolio.                     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 10% of the equity portfolio.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| No more than 7% (at market) of the Sawgrass large cap growth portfolio was invested in the shares of a single issuer.    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DePrince, Race & Zollo (DRZ) small-cap value equity annualized three-year performance achieved the Russell 2000 Value.   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| DePrince, Race & Zollo (DRZ) small-cap value equity annualized three-year performance ranked in the top 50th percentile. | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| DePrince, Race & Zollo (DRZ) small-cap value equity annualized five-year performance achieved the Russell 2000 Value.    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| DePrince, Race & Zollo (DRZ) small-cap value equity annualized five-year performance ranked in the top 50th percentile.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Foreign securities were limited to 5% (at market) of the DePrince, Race & Zollo (DRZ) small-cap value equity portfolio.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 15% of the equity portfolio.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| No more than 7% (at cost) of the DRZ small-cap value equity was invested in the shares of a single corporate issuer.     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Baron small-cap growth equity annualized three-year performance achieved the Russell 2000 Growth.                        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Baron small-cap growth equity annualized three-year performance ranked in the top 50th percentile.                       | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Baron small-cap growth equity annualized five-year performance achieved the Russell 2000 Growth.                         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Baron small-cap growth equity annualized five-year performance ranked in the top 50th percentile.                        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Foreign securities were limited to 5% (at market) of the Baron small-cap growth equity portfolio.                        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 15% of the equity portfolio.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| No more than 7% (at cost) of the Baron small-cap growth equity was invested in the shares of a single corporate issuer.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| American Funds EuroPacific Growth annualized three-year performance achieved the MSCI EAFE Index.                        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| American Funds EuroPacific Growth annualized three-year performance ranked in the top 50th percentile.                   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Total Fund**  
**Investment Policy Review (continued)**  
**September 30, 2017**

|  | <u><b>Yes</b></u>                   | <u><b>No</b></u>                    |
|--|-------------------------------------|-------------------------------------|
| Advent convertible annualized three-year performance achieved the ML All US Converts.    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Advent convertible annualized three-year performance ranking in the top 50th percentile. | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Advent convertible annualized five-year performance achieved the ML All US Converts.     | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Advent convertible annualized five-year performance ranking in the top 50th percentile.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Foreign securities were limited to 25% (at market) of the Advent portfolio.              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 25% of the total portfolio.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Single issuer restrictions are met in the Advent portfolio.                              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SSI convertible annualized three-year performance achieved the ML All US Converts.       | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SSI convertible annualized three-year performance ranking in the top 50th percentile.    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| SSI convertible annualized five-year performance achieved the ML All US Converts.        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| SSI convertible annualized five-year performance ranking in the top 50th percentile.     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Foreign securities were limited to 25% (at market) of the SSI portfolio.                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Cash was limited to 25% of the total portfolio.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Single issuer restrictions are met in the SSI portfolio.                                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Salient MLP annualized three-year performance achieved the Alerian MLP Index             | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Westwood MLP annualized three-year performance achieved the Alerian MLP Index            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |



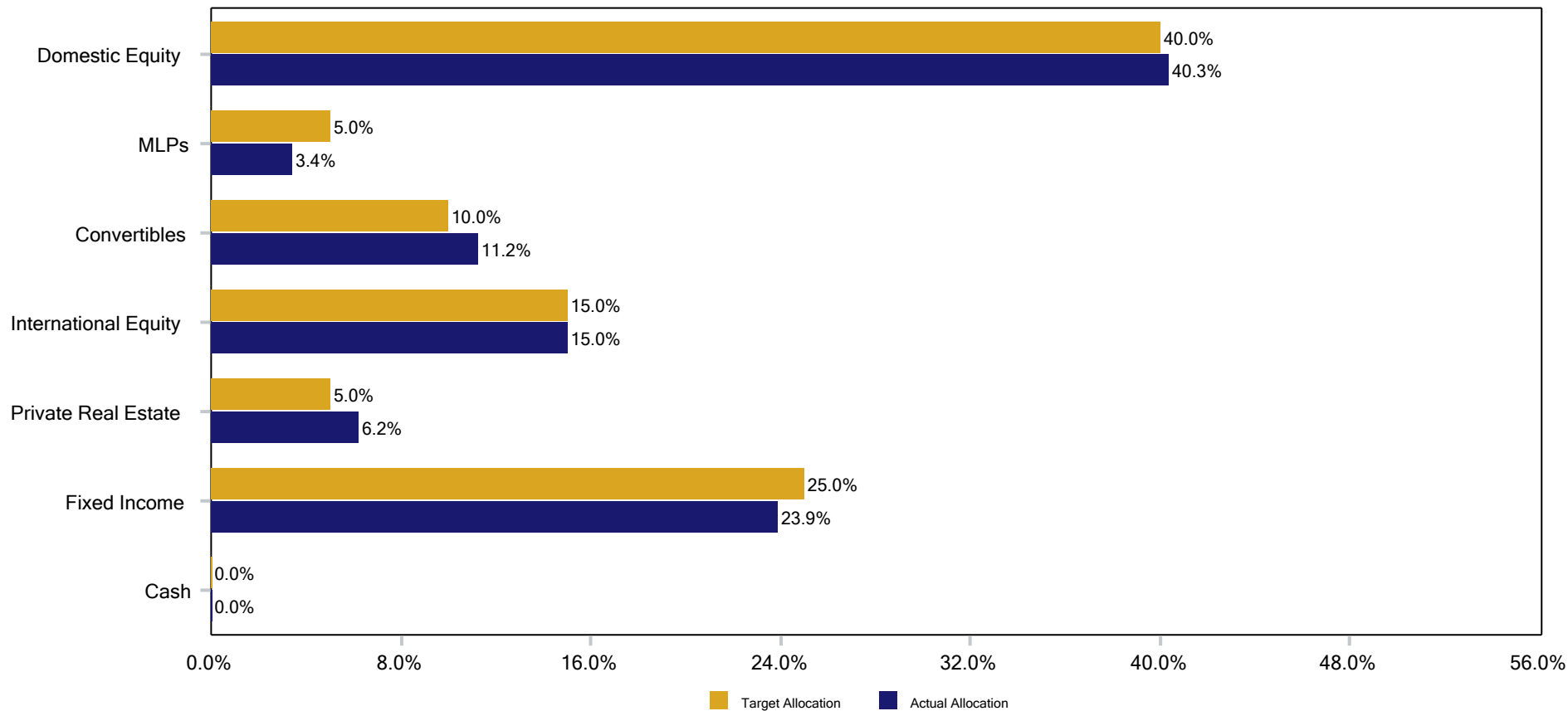
**Pensacola Firefighters' Relief and Pension Fund**  
**Total Fund**  
**Investment Policy Review (continued)**  
**September 30, 2017**

|   | <u><b>Yes</b></u>                       | <u><b>No</b></u>                        |
|---|---|---|
| Integrity Fixed Income annualized three-year performance achieved the Fixed Income benchmark.                           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Integrity Fixed Income annualized three-year performance ranked in the top 50th percentile.                             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Integrity Fixed Income annualized five-year performance achieved the Fixed Income benchmark.                            | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Integrity Fixed Income annualized five-year performance ranked in the top 50th percentile.                              | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| Integrity bonds rated below "A" < 20% of total fixed income portfolio.  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| CMOs <25% of the Integrity fixed income portfolio.  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| The Integrity fixed income portfolio has no foreign bonds.  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| No more than 10% of a manager's fixed income portfolio (at cost) was invested in securities of an issuing company.      | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| <br>Garcia Hamilton Fixed Income annualized three-year performance achieved the Fixed Income benchmark.                 | <br>N/A                                 | <br>N/A                                 |
| Garcia Hamilton Fixed Income annualized three-year performance ranked in the top 50th percentile.                       | N/A                                     | N/A                                     |
| Garcia Hamilton Fixed Income annualized five-year performance achieved the Fixed Income benchmark.                      | N/A                                     | N/A                                     |
| Garcia Hamilton Fixed Income annualized five-year performance ranked in the top 50th percentile.                        | N/A                                     | N/A                                     |
| Foreign fixed income securities shall not exceed 5% (at market) of the Garcia Hamilton portfolio.                       | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| No more than 10% (at cost) of the Garcia Hamilton portfolio may be invested in the shares of a single corporate issuer. | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| <br>UBS Turnbull Property private real estate annualized three-year performance achieved the NCREIF ODCE benchmark.     | <br><input type="checkbox"/>            | <br><input checked="" type="checkbox"/> |
| UBS Turnbull Property private real estate annualized five-year performance achieved the NCREIF ODCE benchmark.          | <input type="checkbox"/>                | <input checked="" type="checkbox"/>     |
| <br>The domestic equity portfolio stocks issued by a corporation are traded on a major stock exchange.                  | <br><input checked="" type="checkbox"/> | <br><input type="checkbox"/>            |
| No more than 75% (at market) of the Fund's total portfolio was invested in equity securities. (Actual: 69.9%)           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| No more than 5% of the total equity value (at market) was invested in common or capital stock of an issuing company.    | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| No more than 25% (at market) of the Fund's total portfolio was invested in foreign securities.                          | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |
| PFIA Compliant  | <input checked="" type="checkbox"/>     | <input type="checkbox"/>                |

**Pensacola Firefighters' Relief and Pension Fund**  
**Investment Performance - Net**  
**September 30, 2017**

|                        | <u>Quarter</u> | <u>One Year</u> | <u>Three Years</u> | <u>Five Years</u> |
|------------------------|----------------|-----------------|--------------------|-------------------|
| Beginning Market Value | 118,872,433    | 113,889,472     | 113,284,997        | 96,464,450        |
| Contributions          | -1,532,355     | -6,031,025      | -14,586,163        | -23,118,625       |
| Gain/Loss              | 3,676,013      | 13,157,644      | 22,317,257         | 47,670,266        |
| Ending Market Value    | 121,016,091    | 121,016,091     | 121,016,091        | 121,016,091       |
| Total Fund (%)         | 3.0            | 11.3            | 6.1                | 8.5               |
| Target Index (%)       | 3.2            | 11.8            | 6.2                | 9.1               |

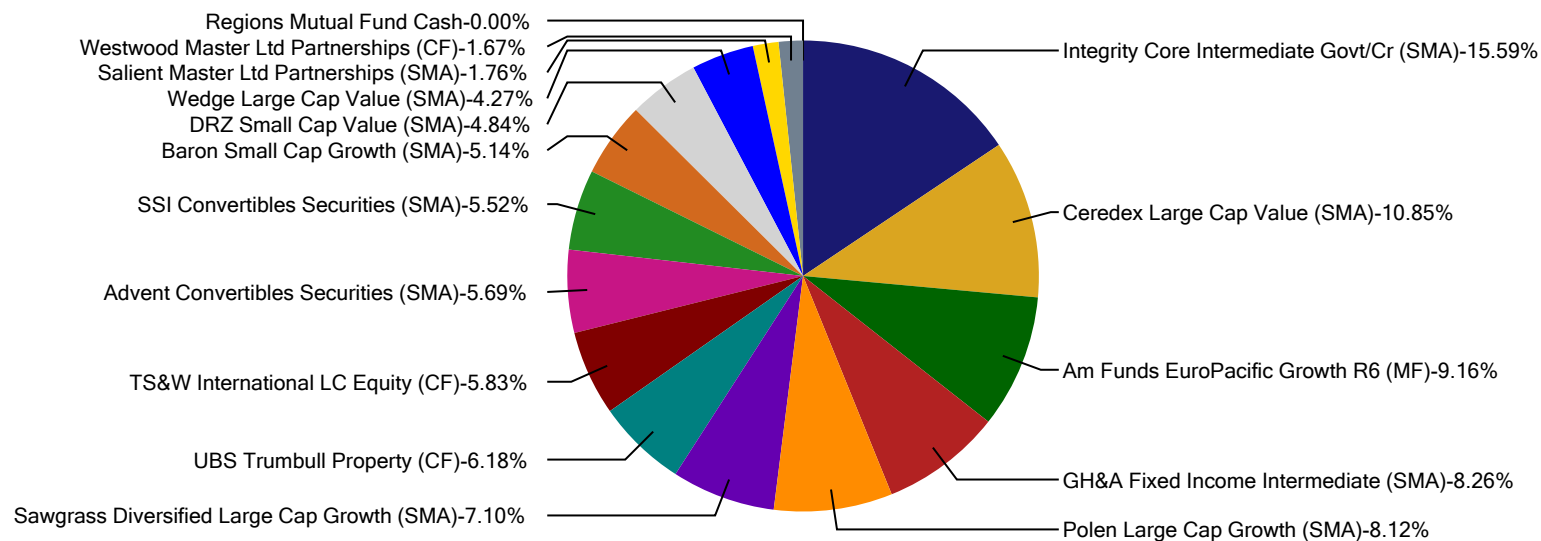
**Pensacola Firefighters' Relief and Pension Fund**  
**Actual vs. Target Asset Allocation**  
**September 30, 2017**



|                      | Market Value<br>Actual \$ | Percent<br>Actual | Percent<br>Target | Percent<br>Difference |
|----------------------|---------------------------|-------------------|-------------------|-----------------------|
| Total Fund           | 121,016,091               | 100.0             | 100.0             | 0.0                   |
| Domestic Equity      | 48,805,903                | 40.3              | 40.0              | 0.3                   |
| MLPs                 | 4,148,547                 | 3.4               | 5.0               | -1.6                  |
| Convertibles         | 13,566,061                | 11.2              | 10.0              | 1.2                   |
| International Equity | 18,141,406                | 15.0              | 15.0              | 0.0                   |
| Private Real Estate  | 7,483,933                 | 6.2               | 5.0               | 1.2                   |
| Fixed Income         | 28,868,576                | 23.9              | 25.0              | -1.1                  |
| Cash                 | 1,666                     | 0.0               | 0.0               | 0.0                   |

## Pensacola Firefighters' Relief and Pension Fund Asset Allocation

September 30, 2017 : 121,016,091

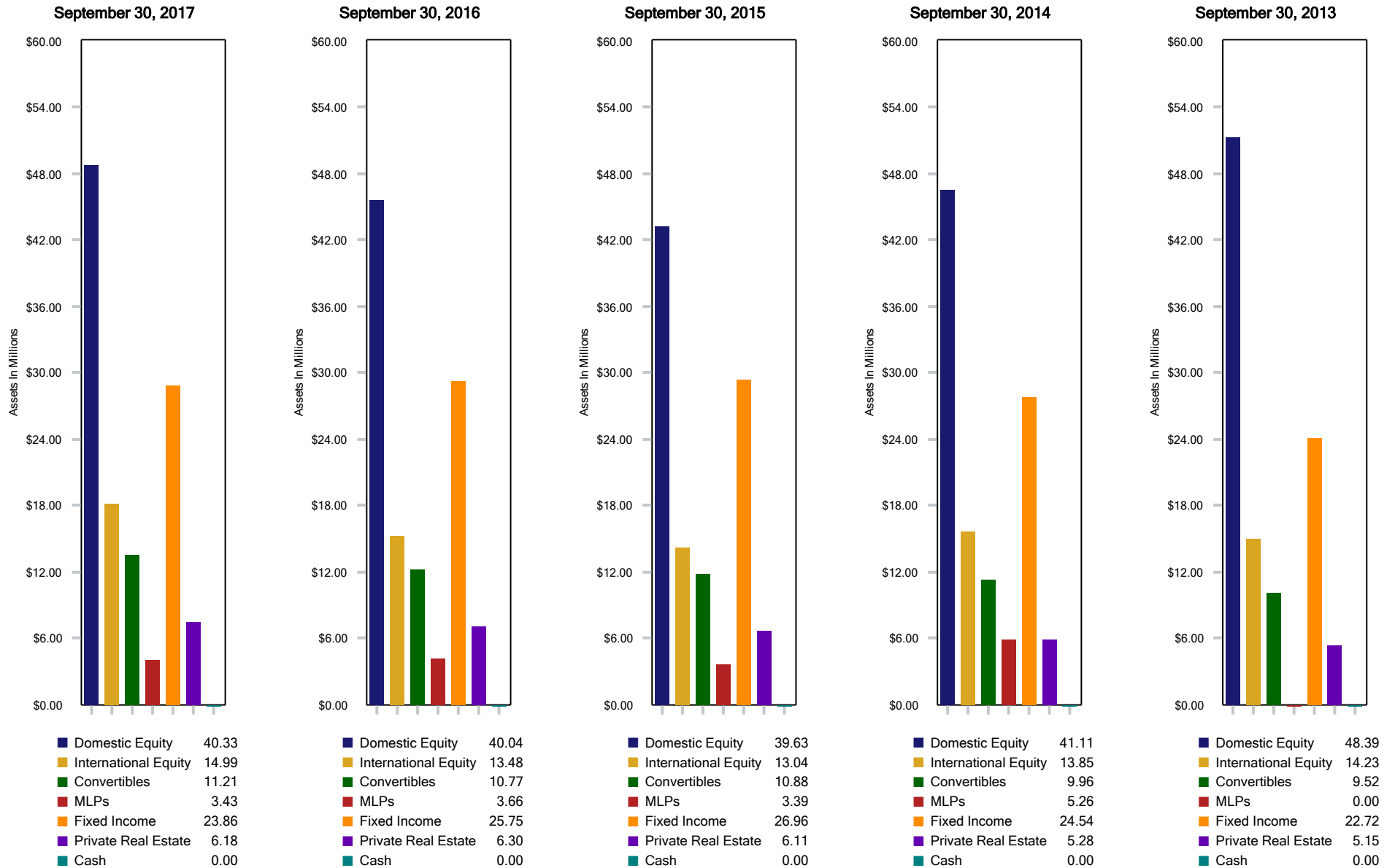


|   | <u>Market Value \$</u> | <u>Allocation (%)</u> |
|---|------------------------|-----------------------|
| ■ Integrity Core Intermediate Govt/Cr (SMA)   | 18,871,680             | 15.59                 |
| ■ Ceredex Large Cap Value (SMA)               | 13,134,259             | 10.85                 |
| ■ Am Funds EuroPacific Growth R6 (MF)         | 11,085,151             | 9.16                  |
| ■ GH&A Fixed Income Intermediate (SMA)        | 9,996,896              | 8.26                  |
| ■ Polen Large Cap Growth (SMA)                | 9,829,925              | 8.12                  |
| ■ Sawgrass Diversified Large Cap Growth (SMA) | 8,596,552              | 7.10                  |
| ■ UBS Trumbull Property (CF)                  | 7,483,933              | 6.18                  |
| ■ TS&W International LC Equity (CF)           | 7,056,254              | 5.83                  |
| ■ Advent Convertibles Securities (SMA)        | 6,882,493              | 5.69                  |
| ■ SSI Convertibles Securities (SMA)           | 6,683,568              | 5.52                  |
| ■ Baron Small Cap Growth (SMA)                | 6,214,750              | 5.14                  |
| ■ DRZ Small Cap Value (SMA)                   | 5,859,851              | 4.84                  |
| ■ Wedge Large Cap Value (SMA)                 | 5,170,565              | 4.27                  |
| ■ Salient Master Ltd Partnerships (SMA)       | 2,130,574              | 1.76                  |
| ■ Westwood Master Ltd Partnerships (CF)       | 2,017,972              | 1.67                  |
| ■ Regions Mutual Fund Cash                    | 1,666                  | 0.00                  |

# Pensacola Firefighters' Relief and Pension Fund

## Historical Asset Allocation

### September 30, 2017



**Pensacola Firefighters' Relief and Pension Fund**  
**Asset Allocation & Performance - Gross**  
**September 30, 2017**

|   | Market Value       | QTD<br>ROR - Rank | 1 Year<br>ROR - Rank | 3 Year<br>ROR - Rank | 5 Year<br>ROR - Rank |
|---|--------------------|-------------------|----------------------|----------------------|----------------------|
| <b>Total Fund</b>                           | <b>121,016,091</b> | <b>3.1 (76)</b>   | <b>12.0 (57)</b>     | <b>6.7 (48)</b>      | <b>9.1 (23)</b>      |
| Target Index                                |                    | 3.2               | 11.8                 | 6.2                  | 9.1                  |
| <b>Domestic Equity</b>                      | <b>48,805,903</b>  | <b>4.3</b>        | <b>19.0</b>          | <b>11.4</b>          | <b>14.1</b>          |
| Polen Large Cap Growth (SMA)                | 9,829,925          | 4.0 (76)          | 20.8 (52)            | 16.4 (3)             | 15.6 (28)            |
| Sawgrass Diversified Large Cap Growth (SMA) | 8,596,552          | 4.0 (76)          | 16.5 (86)            | N/A                  | N/A                  |
| Russell 1000 Growth Index                   |                    | 5.9               | 21.9                 | 12.7                 | 15.3                 |
| Wedge Large Cap Value (SMA)                 | 5,170,565          | 3.9               | N/A                  | N/A                  | N/A                  |
| Ceredex Large Cap Value (SMA)               | 13,134,259         | 4.2 (44)          | 17.9 (51)            | 9.2 (47)             | 14.0 (43)            |
| Russell 1000 Value Index                    |                    | 3.1               | 15.1                 | 8.5                  | 13.2                 |
| Baron Small Cap Growth (SMA)                | 6,214,750          | 3.9 (83)          | 21.5 (51)            | 12.4 (52)            | 16.2 (29)            |
| Russell 2000 Growth Index                   |                    | 6.2               | 21.0                 | 12.2                 | 14.3                 |
| DRZ Small Cap Value (SMA)                   | 5,859,851          | 5.7 (39)          | 21.0 (45)            | 11.7 (55)            | 13.6 (69)            |
| Russell 2000 Value Index                    |                    | 5.1               | 20.5                 | 12.1                 | 13.3                 |
| <b>International Equity</b>                 | <b>18,141,406</b>  | <b>5.8</b>        | <b>18.9</b>          | <b>5.4</b>           | <b>8.0</b>           |
| Am Funds EuroPacific Growth R6 (MF)         | 11,085,151         | 7.0               | 21.2                 | 8.1                  | N/A                  |
| TS&W International LC Equity (CF)           | 7,056,254          | 4.0 (85)          | N/A                  | N/A                  | N/A                  |
| MSCI EAFE Index                             |                    | 5.5               | 19.7                 | 5.5                  | 8.9                  |
| <b>Convertibles</b>                         | <b>13,566,061</b>  | <b>3.6</b>        | <b>12.8</b>          | <b>6.5</b>           | <b>9.7</b>           |
| Advent Convertibles Securities (SMA)        | 6,882,493          | 3.8 (34)          | 12.9 (40)            | 6.1 (63)             | 8.9 (59)             |
| SSI Convertibles Securities (SMA)           | 6,683,568          | 3.3 (41)          | 12.6 (44)            | 7.0 (39)             | 10.4 (38)            |
| ML All Convertibles, All Qualities          |                    | 3.8               | 14.3                 | 6.7                  | 11.0                 |

**Pensacola Firefighters' Relief and Pension Fund**  
**Asset Allocation & Performance - Gross**  
**September 30, 2017**

|  | Market Value      | QTD<br>ROR - Rank | 1 Year<br>ROR - Rank | 3 Year<br>ROR - Rank | 5 Year<br>ROR - Rank |
|--|-------------------|-------------------|----------------------|----------------------|----------------------|
| <b>MLPs</b>  | <b>4,148,547</b>  | <b>-1.6</b>       | <b>-0.4</b>          | <b>-11.4</b>         | <b>N/A</b>           |
| Salient Master Ltd Partnerships (SMA)              | 2,130,574         | -1.7 (77)         | -0.7 (46)            | -11.0 (69)           | N/A                  |
| Westwood Master Ltd Partnerships (CF)              | 2,017,972         | -1.6 (77)         | -0.2 (45)            | -11.8 (73)           | N/A                  |
| Alerian MLP Index                                  |                   | -3.0              | -3.7                 | -12.9                | -0.6                 |
| <b>Fixed Income</b>                                | <b>28,868,576</b> | <b>0.7</b>        | <b>0.8</b>           | <b>2.7</b>           | <b>2.4</b>           |
| GH&A Fixed Income Intermediate (SMA)               | 9,996,896         | 0.5 (97)          | 0.7 (51)             | N/A                  | N/A                  |
| Bloomberg Barclays Intermediate US Govt/Credit Idx |                   | 0.6               | 0.2                  | 2.1                  | 1.6                  |
| Integrity Core Intermediate Govt/Cr (SMA)          | 18,871,680        | 0.8 (30)          | 0.9 (30)             | 2.8 (21)             | 2.4 (22)             |
| Fixed Income Benchmark                             |                   | 0.6               | 0.2                  | 2.1                  | 1.5                  |
| <b>Private Real Estate</b>                         | <b>7,483,933</b>  | <b>1.5</b>        | <b>5.4</b>           | <b>9.0</b>           | <b>9.4</b>           |
| UBS Trumbull Property (CF)                         | 7,483,933         | 1.5               | 5.4                  | 9.0                  | 9.4                  |
| NCREIF ODCE  |                   | 1.9               | 7.7                  | 10.8                 | 11.6                 |
| <b>Cash</b>  | <b>1,666</b>      | <b>0.2</b>        | <b>0.4</b>           | <b>N/A</b>           | <b>N/A</b>           |
| Regions Mutual Fund Cash                           | 1,666             | 0.2               | 0.4                  | N/A                  | N/A                  |
| BofA Merrill Lynch 3 Month U.S. T-Bill             |                   | 0.3               | 0.7                  | 0.3                  | 0.2                  |

**1 Target as of Jan. 1, 2015:** 30% Russell 1000 + 10% Russell 2500 + 5% Alerian MLP + 5% NCREIF- ODCE + 10% ML All US Conv. + 15% MSCI ACWI + 25% Barclay's Intermediate Gov/Credit Bond Index. Prior as of Mar. 1, 2014: 30% Russell 1000 + 10% Russell 2500 + 5% Alerian MLP + 5% NCREIF- ODCE + 10% ML All US Conv Inx ex144A. + 15% MSCI ACWI + 25% Barclay's Intermediate Gov/Credit Bond Index. Prior as of Jan 1, 2013: 35% Russell 1000 + 10% Russell 2500 + 5% NCREIF- ODCE + 10% ML All US Conv Inx ex144A. + 15% MSCI EAFE + 25% Barclay's Aggregate Bond Index. Prior as of May 21, 2011: 40% Russell1000 + 10% Russell 2500 + 10%ML All US Conv Inx ex144A. + 15% MSCI EAFE + 25% Barclay's Aggregate Bond Index. Prior from Oct '09: 40% Russell 1000 + 10% Russell 2500 + 15% MSCI EAFE + 35% Barclay's Aggregate Bond Index. Prior was: 40% Russell 1000 + 10% Russell 2000 + 15% MSCI EAFE + 35% Lehman Aggregate Bond Index.

**2 FI Benchmark as of Mar. 1, 2014:** 100% Barclay's Intermediate Gov/Credit. Prior was Barclay's Aggregate.

**Pensacola Firefighters' Relief and Pension Fund**  
**Asset Allocation & Performance - Net**  
**September 30, 2017**

|   | Market Value       | QTD<br>ROR - Rank | 1 Year<br>ROR - Rank | 3 Year<br>ROR - Rank | 5 Year<br>ROR - Rank |
|---|--------------------|-------------------|----------------------|----------------------|----------------------|
| <b>Total Fund</b>                           | <b>121,016,091</b> | <b>3.0</b>        | <b>11.3</b>          | <b>6.1</b>           | <b>8.5</b>           |
| Target Index                                |                    | 3.2               | 11.8                 | 6.2                  | 9.1                  |
| <b>Domestic Equity</b>                      | <b>48,805,903</b>  | <b>4.1</b>        | <b>18.2</b>          | <b>10.7</b>          | <b>13.3</b>          |
| Polen Large Cap Growth (SMA)                | 9,829,925          | 3.9               | 20.0                 | 15.6                 | 14.9                 |
| Sawgrass Diversified Large Cap Growth (SMA) | 8,596,552          | 3.9               | 15.8                 | N/A                  | N/A                  |
| Russell 1000 Growth Index                   |                    | 5.9               | 21.9                 | 12.7                 | 15.3                 |
| Wedge Large Cap Value (SMA)                 | 5,170,565          | 3.9               | N/A                  | N/A                  | N/A                  |
| Ceredex Large Cap Value (SMA)               | 13,134,259         | 4.1               | 17.2                 | 8.6                  | 13.4                 |
| Russell 1000 Value Index                    |                    | 3.1               | 15.1                 | 8.5                  | 13.2                 |
| Baron Small Cap Growth (SMA)                | 6,214,750          | 3.7               | 20.3                 | 11.2                 | 15.0                 |
| Russell 2000 Growth Index                   |                    | 6.2               | 21.0                 | 12.2                 | 14.3                 |
| DRZ Small Cap Value (SMA)                   | 5,859,851          | 5.5               | 19.9                 | 10.8                 | 12.6                 |
| Russell 2000 Value Index                    |                    | 5.1               | 20.5                 | 12.1                 | 13.3                 |
| <b>International Equity</b>                 | <b>18,141,406</b>  | <b>5.6</b>        | <b>18.2</b>          | <b>4.8</b>           | <b>7.3</b>           |
| Am Funds EuroPacific Growth R6 (MF)         | 11,085,151         | 6.9 (41)          | 20.6 (39)            | 7.5 (23)             | N/A                  |
| TS&W International LC Equity (CF)           | 7,056,254          | 4.0 (85)          | N/A                  | N/A                  | N/A                  |
| MSCI EAFE Index                             |                    | 5.5               | 19.7                 | 5.5                  | 8.9                  |
| <b>Convertibles</b>                         | <b>13,566,061</b>  | <b>3.3</b>        | <b>11.8</b>          | <b>5.7</b>           | <b>8.8</b>           |
| Advent Convertibles Securities (SMA)        | 6,882,493          | 3.6               | 12.0                 | 5.3                  | 8.0                  |
| SSI Convertibles Securities (SMA)           | 6,683,568          | 3.1               | 11.7                 | 6.1                  | 9.5                  |
| ML All Convertibles, All Qualities          |                    | 3.8               | 14.3                 | 6.7                  | 11.0                 |



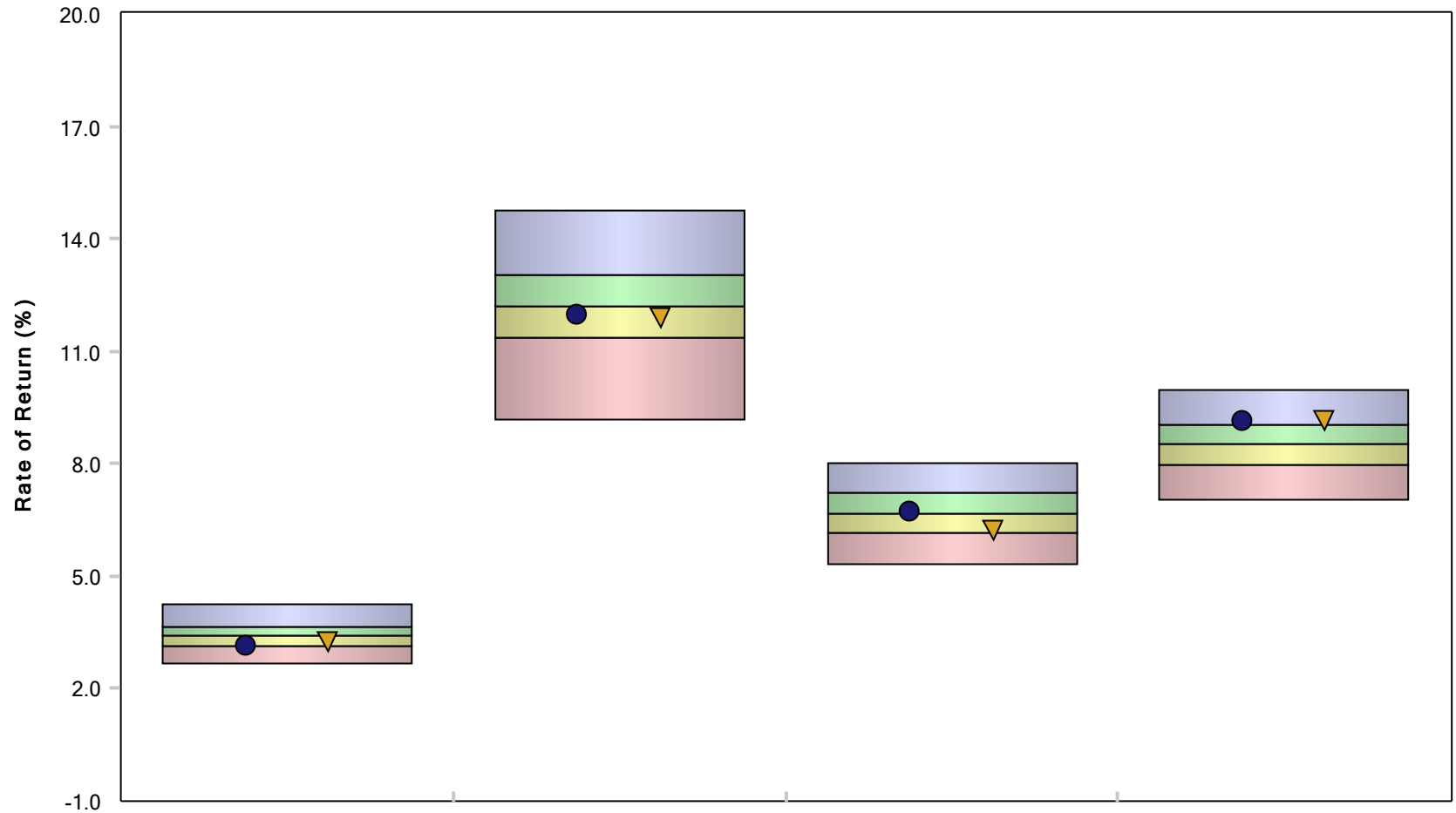
**Pensacola Firefighters' Relief and Pension Fund**  
**Asset Allocation & Performance - Net**  
**September 30, 2017**

|  | Market Value      | QTD<br>ROR - Rank | 1 Year<br>ROR - Rank | 3 Year<br>ROR - Rank | 5 Year<br>ROR - Rank |
|--|-------------------|-------------------|----------------------|----------------------|----------------------|
| <b>MLPs</b>  | <b>4,148,547</b>  | <b>-1.8</b>       | <b>-1.3</b>          | <b>-12.1</b>         | <b>N/A</b>           |
| Salient Master Ltd Partnerships (SMA)              | 2,130,574         | -1.9              | -1.4                 | -11.7                | N/A                  |
| Westwood Master Ltd Partnerships (CF)              | 2,017,972         | -1.8              | -1.2                 | -12.6                | N/A                  |
| Alerian MLP Index                                  |                   | -3.0              | -3.7                 | -12.9                | -0.6                 |
| <b>Fixed Income</b>                                | <b>28,868,576</b> | <b>0.6</b>        | <b>0.6</b>           | <b>2.5</b>           | <b>2.1</b>           |
| GH&A Fixed Income Intermediate (SMA)               | 9,996,896         | 0.4               | 0.4                  | N/A                  | N/A                  |
| Bloomberg Barclays Intermediate US Govt/Credit Idx |                   | 0.6               | 0.2                  | 2.1                  | 1.6                  |
| Integrity Core Intermediate Govt/Cr (SMA)          | 18,871,680        | 0.7               | 0.6                  | 2.5                  | 2.2                  |
| Fixed Income Benchmark                             |                   | 0.6               | 0.2                  | 2.1                  | 1.5                  |
| <b>Private Real Estate</b>                         | <b>7,483,933</b>  | <b>1.2</b>        | <b>4.2</b>           | <b>7.8</b>           | <b>8.3</b>           |
| UBS Trumbull Property (CF)                         | 7,483,933         | 1.2               | 4.2                  | 7.8                  | 8.3                  |
| NCREIF ODCE  |                   | 1.9               | 7.7                  | 10.8                 | 11.6                 |
| <b>Cash</b>  | <b>1,666</b>      | <b>0.2</b>        | <b>0.4</b>           | <b>N/A</b>           | <b>N/A</b>           |
| Regions Mutual Fund Cash                           | 1,666             | 0.2               | 0.4                  | N/A                  | N/A                  |
| BofA Merrill Lynch 3 Month U.S. T-Bill             |                   | 0.3               | 0.7                  | 0.3                  | 0.2                  |

**1 Target as of Jan. 1, 2015:** 30% Russell 1000 + 10% Russell 2500 + 5% Alerian MLP + 5% NCREIF- ODCE + 10% ML All US Conv. + 15% MSCI ACWI + 25% Barclay's Intermediate Gov/Credit Bond Index. Prior as of Mar. 1, 2014: 30% Russell 1000 + 10% Russell 2500 + 5% Alerian MLP + 5% NCREIF- ODCE + 10% ML All US Conv Inx ex144A. + 15% MSCI ACWI + 25% Barclay's Intermediate Gov/Credit Bond Index. Prior as of Jan 1, 2013: 35% Russell 1000 + 10% Russell 2500 + 5% NCREIF- ODCE + 10% ML All US Conv Inx ex144A. + 15% MSCI EAFE + 25% Barclay's Aggregate Bond Index. Prior as of May 21, 2011: 40% Russell1000 + 10% Russell 2500 + 10%ML All US Conv Inx ex144A. + 15% MSCI EAFE + 25% Barclay's Aggregate Bond Index. Prior from Oct '09: 40% Russell 1000 + 10% Russell 2500 + 15% MSCI EAFE + 35% Barclay's Aggregate Bond Index. Prior was: 40% Russell 1000 + 10% Russell 2000 + 15% MSCI EAFE + 35% Lehman Aggregate Bond Index.

**2 FI Benchmark as of Mar. 1, 2014:** 100% Barclay's Intermediate Gov/Credit. Prior was Barclay's Aggregate.

**Pensacola Firefighters' Relief and Pension Fund**  
**Peer Universe Quartile Ranking**  
**September 30, 2017**

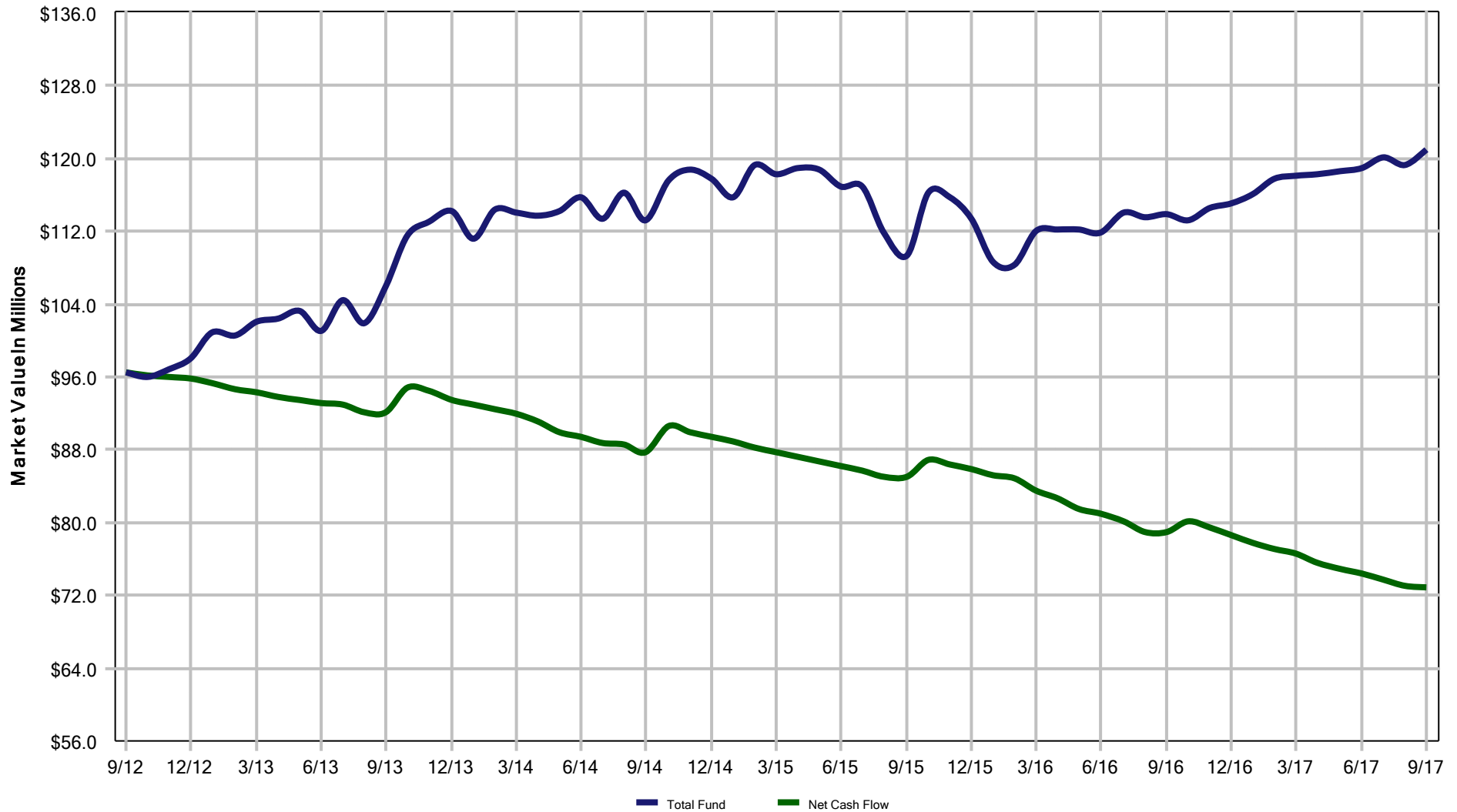


| Quarter  | One Year  | Three Years | Five Years |
|----------|-----------|-------------|------------|
| 3.1 (76) | 12.0 (57) | 6.7 (48)    | 9.1 (23)   |
| 3.2 (68) | 11.8 (61) | 6.2 (74)    | 9.1 (23)   |

|                 |     |      |     |     |
|-----------------|-----|------|-----|-----|
| 5th Percentile  | 4.2 | 14.8 | 8.0 | 9.9 |
| 1st Quartile    | 3.6 | 13.0 | 7.2 | 9.0 |
| Median          | 3.4 | 12.2 | 6.7 | 8.5 |
| 3rd Quartile    | 3.1 | 11.4 | 6.1 | 8.0 |
| 95th Percentile | 2.7 | 9.2  | 5.3 | 7.0 |

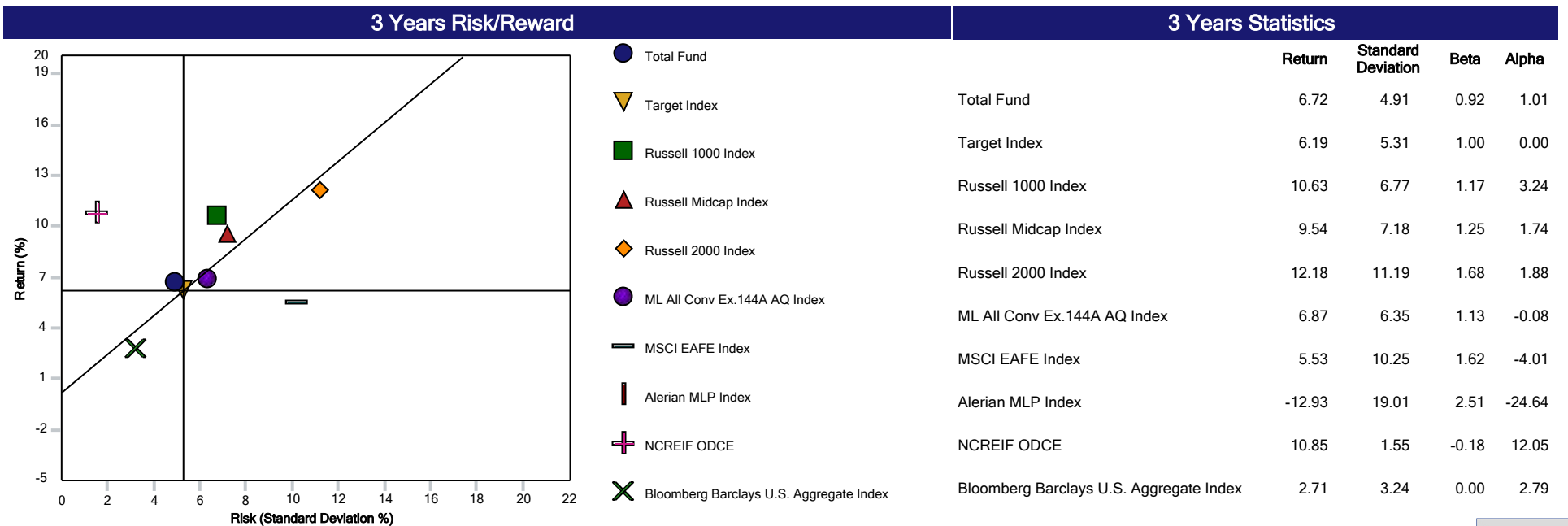
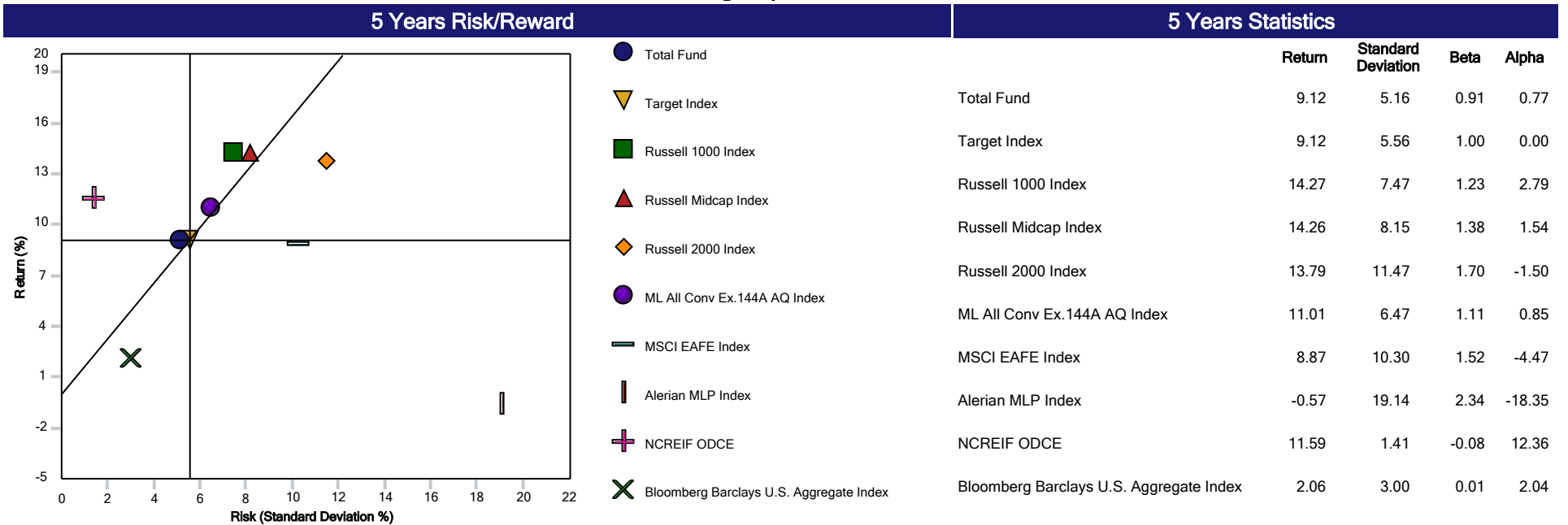
Parentheses contain percentile rankings.  
Calculation based on quarterly data.

**Pensacola Firefighters' Relief and Pension Fund**  
**Growth of Investments**  
**October 1, 2012 Through September 30, 2017**



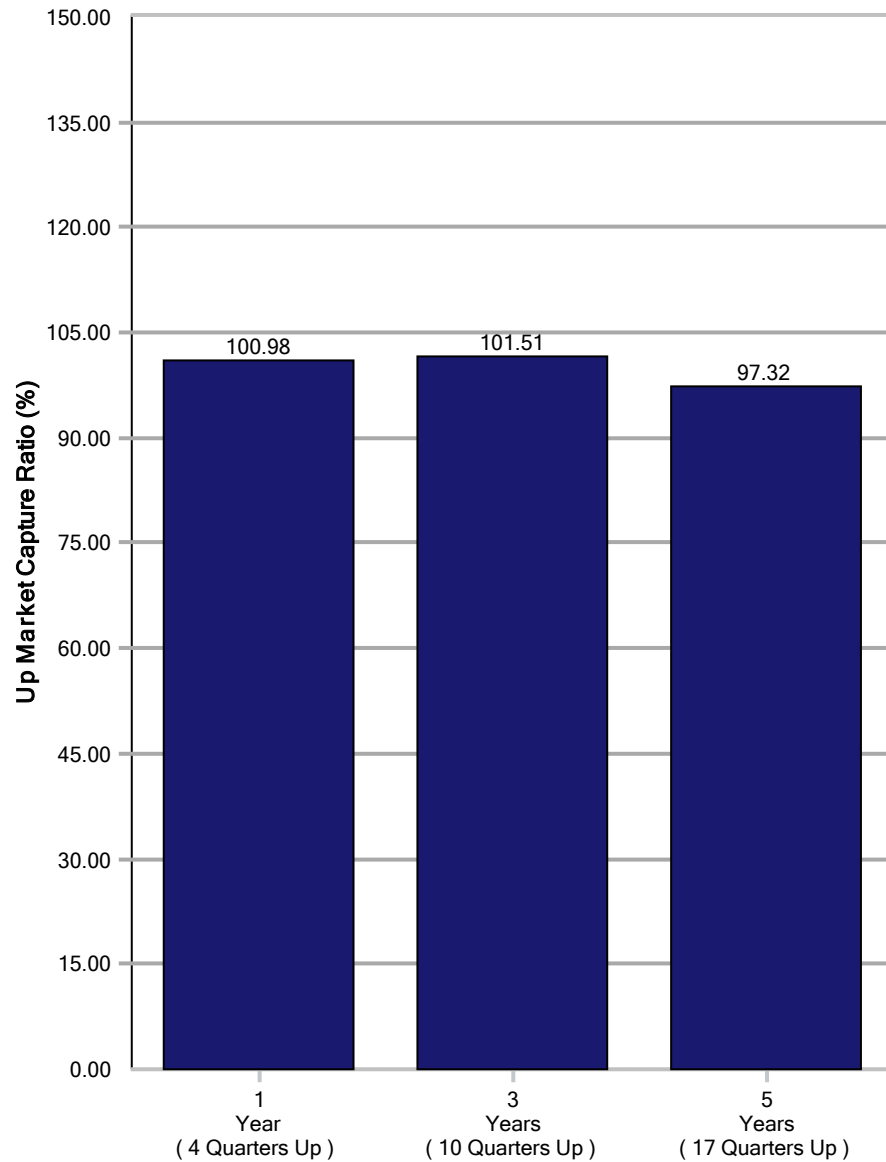
| <u>Beginning MV</u> | <u>Ending MV</u> | <u>Annualized ROR</u> |
|---------------------|------------------|-----------------------|
| \$96,464,450        | \$121,016,091    | 9.1                   |

**Pensacola Firefighters' Relief and Pension Fund**  
**Capital Market Line**  
**Period Ending September 30, 2017**

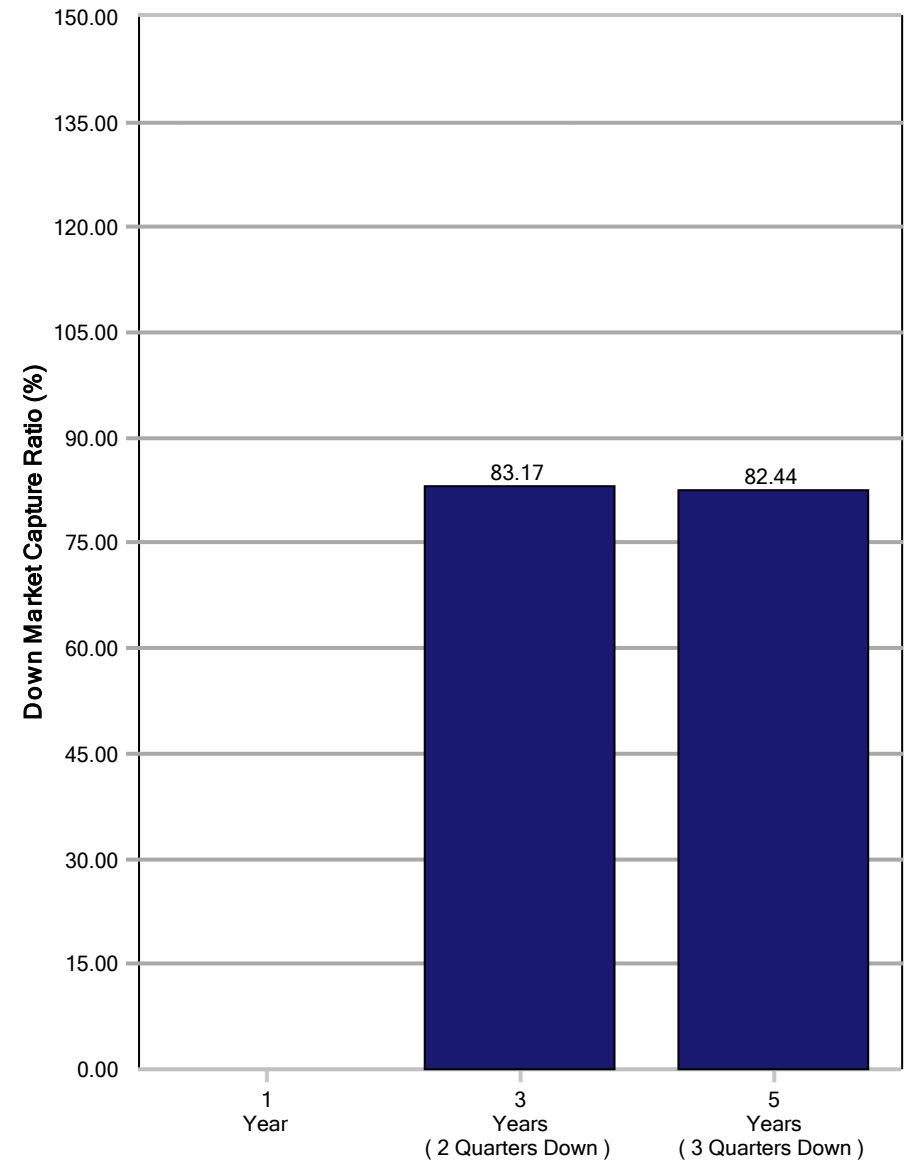


Pensacola Firefighters' Relief and Pension Fund  
Performance in Rising and Declining Markets  
Periods Ending September 30, 2017

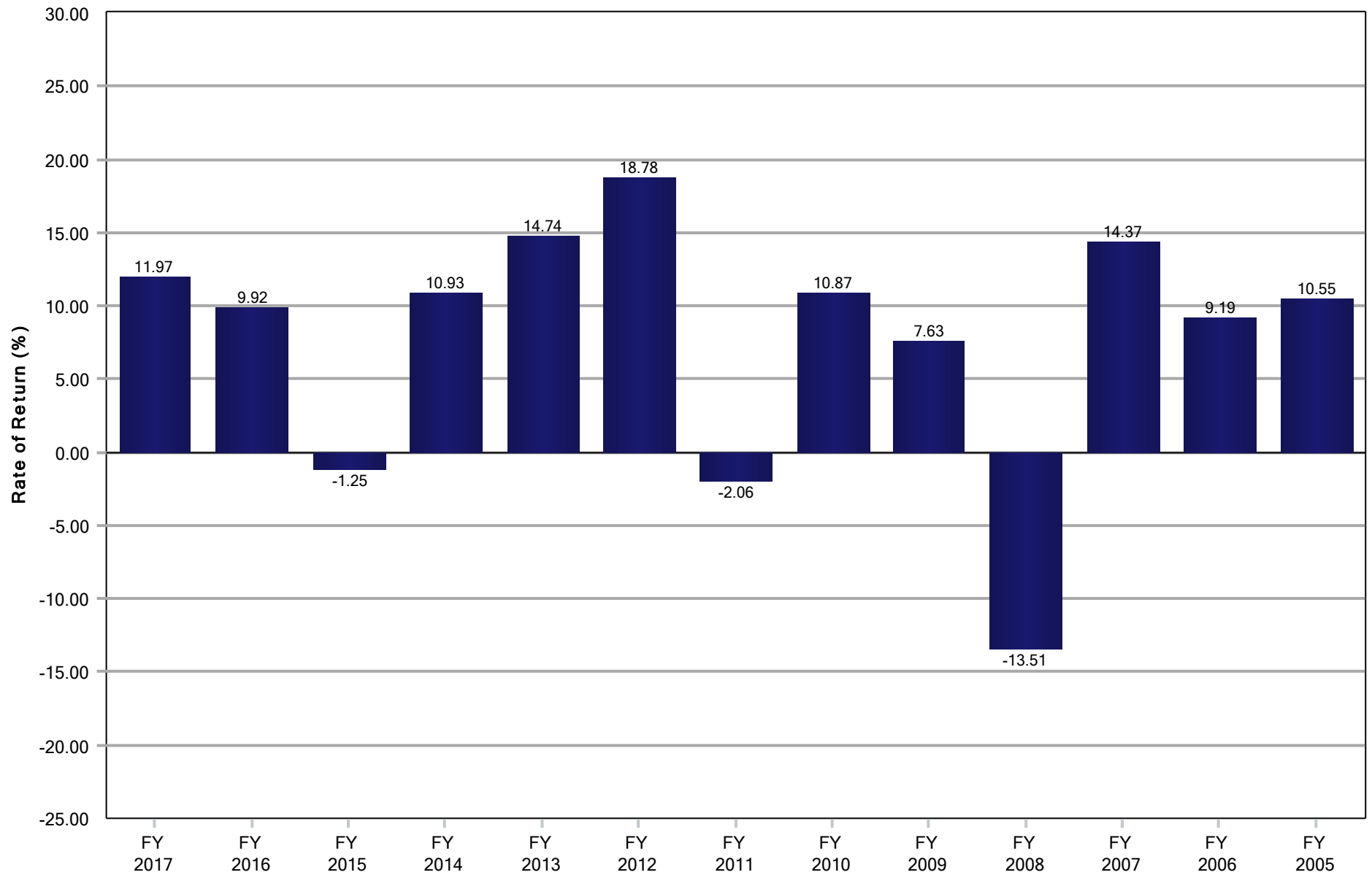
Up Market Performance



Down Market Performance

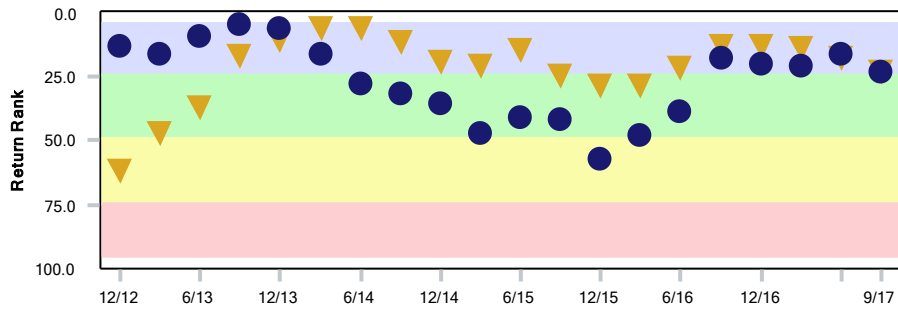


Pensacola Firefighters' Relief and Pension Fund  
Fiscal Year Rates of Return  
September 30, 2017



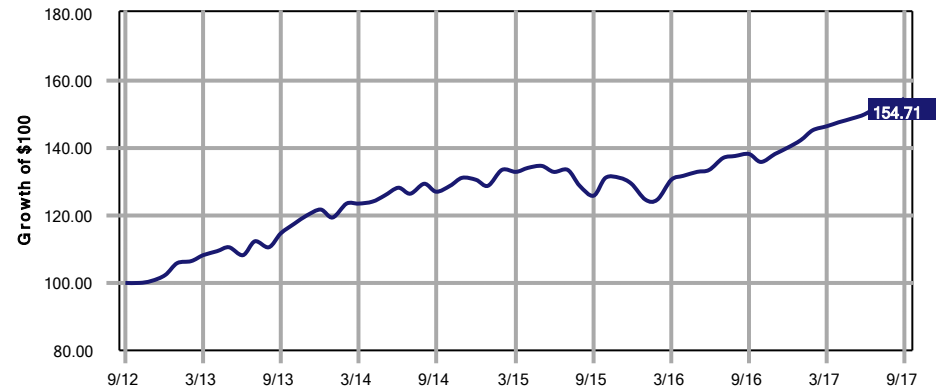
**Pensacola Firefighters' Relief and Pension Fund**  
**Total Fund**  
**September 30, 2017**

**5 Years Rolling Percentile Ranking - 5 Years**

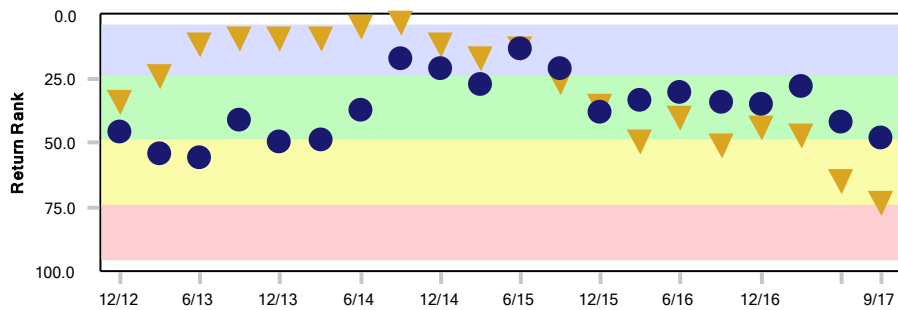


|                | Periods | 5 - 25   | 25 - 50 | 50 - 75 | 75 - 95 |
|----------------|---------|----------|---------|---------|---------|
| ● Total Fund   | 20      | 11 (55%) | 8 (40%) | 1 (5%)  | 0 (0%)  |
| ▼ Target Index | 20      | 15 (75%) | 4 (20%) | 1 (5%)  | 0 (0%)  |

**Growth of a Dollar**

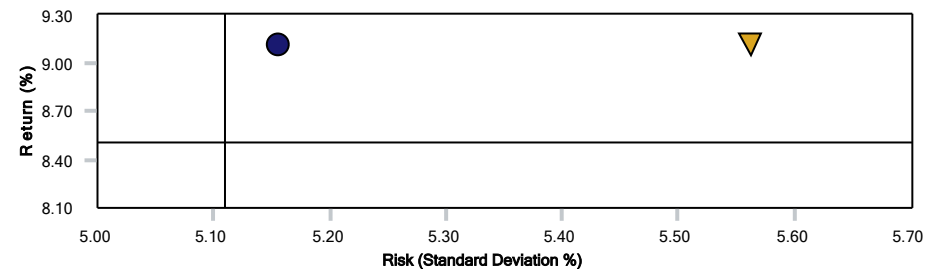


**3 Years Rolling Percentile Ranking - 5 Years**



|                | Periods | 5 - 25   | 25 - 50  | 50 - 75 | 75 - 95 |
|----------------|---------|----------|----------|---------|---------|
| ● Total Fund   | 20      | 4 (20%)  | 14 (70%) | 2 (10%) | 0 (0%)  |
| ▼ Target Index | 20      | 10 (50%) | 7 (35%)  | 3 (15%) | 0 (0%)  |

**Peer Group Risk/Reward - 5 Years**



|                | Return | Standard Deviation |
|----------------|--------|--------------------|
| ● Total Fund   | 9.12   | 5.16               |
| ▼ Target Index | 9.12   | 5.56               |
| — Median       | 8.51   | 5.11               |

**Historical Statistics - 5 Years**

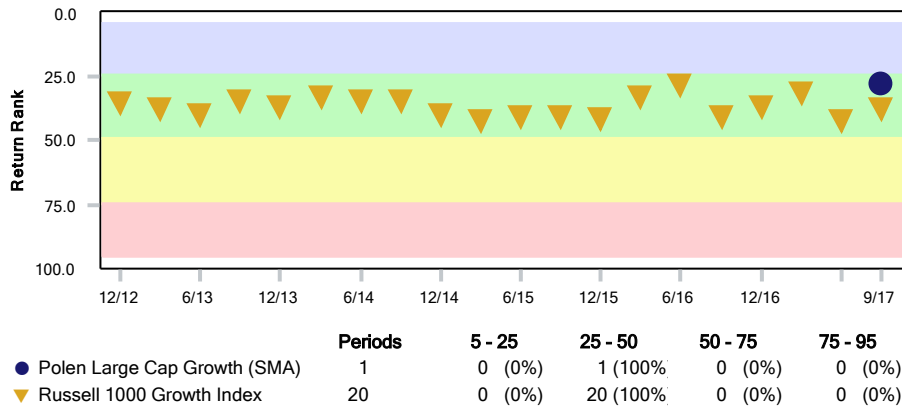
|              | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Total Fund   | 9.12   | 5.16               | 0.77  | 0.91 | 1.70         | 82.44               | 97.32             |
| Target Index | 9.12   | 5.56               | 0.00  | 1.00 | 1.58         | 100.00              | 100.00            |

**Historical Statistics - 3 Years**

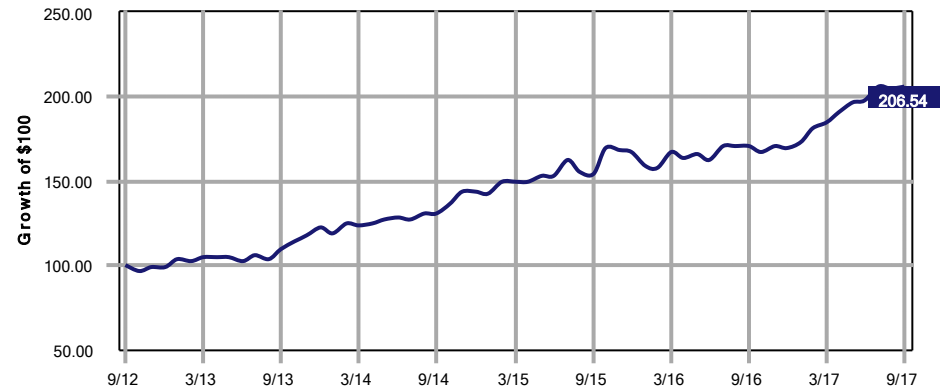
|              | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Total Fund   | 6.72   | 4.91               | 1.01  | 0.92 | 1.32         | 83.17               | 101.51            |
| Target Index | 6.19   | 5.31               | 0.00  | 1.00 | 1.13         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Polen Large Cap Growth (SMA)**  
**September 30, 2017**

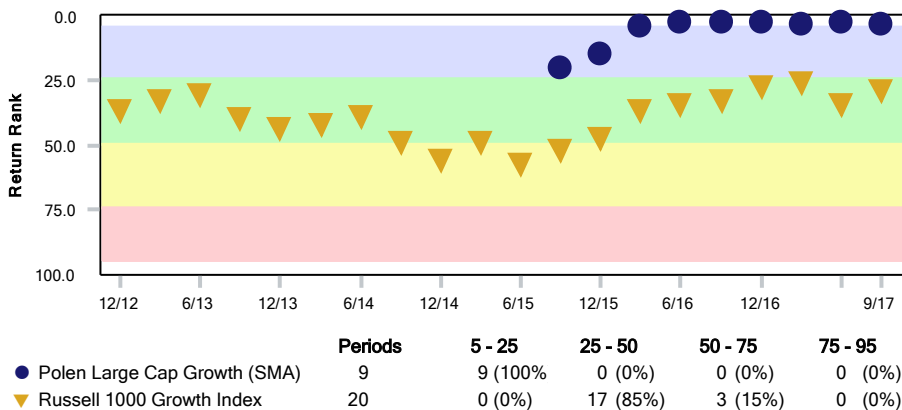
**5 Years Rolling Percentile Ranking - 5 Years**



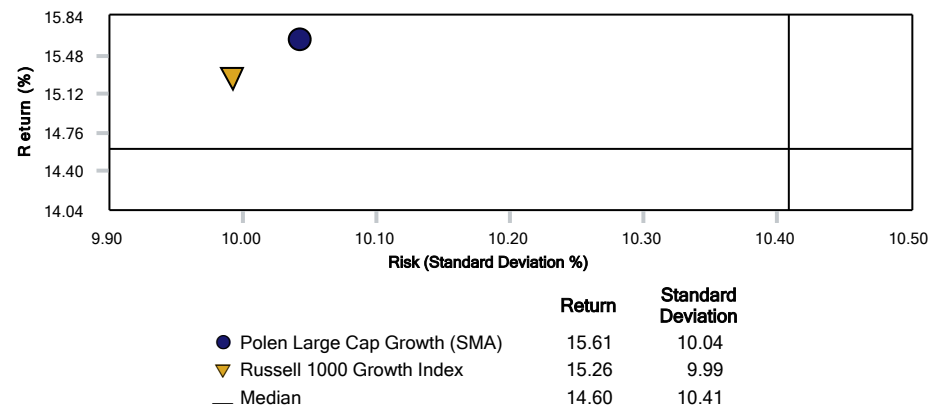
**Growth of a Dollar**



**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 |
|------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Polen Large Cap Growth (SMA) | 15.61  | 10.04              | 1.54  | 0.92 | 1.48         | 81.01               | 94.82             |
| Russell 1000 Growth Index    | 15.26  | 9.99               | 0.00  | 1.00 | 1.46         | 100.00              | 100.00            |

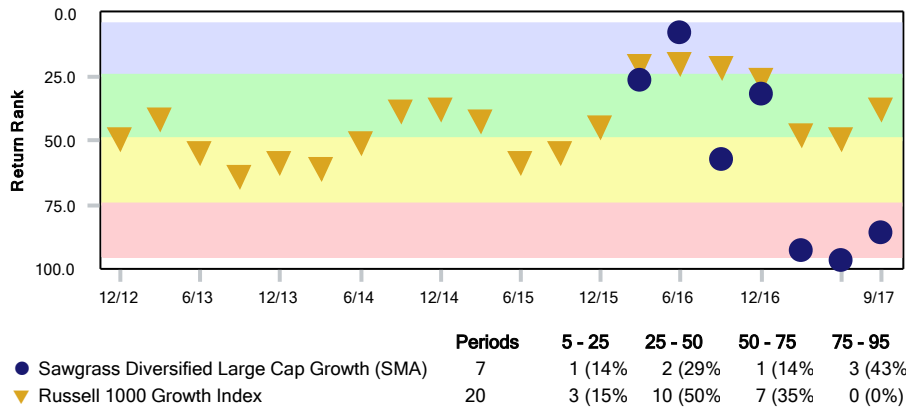
**Historical Statistics - 3 Years**

|                              | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Polen Large Cap Growth (SMA) | 16.39  | 10.83              | 3.98  | 0.95 | 1.44         | 74.72               | 105.40            |
| Russell 1000 Growth Index    | 12.69  | 10.53              | 0.00  | 1.00 | 1.17         | 100.00              | 100.00            |

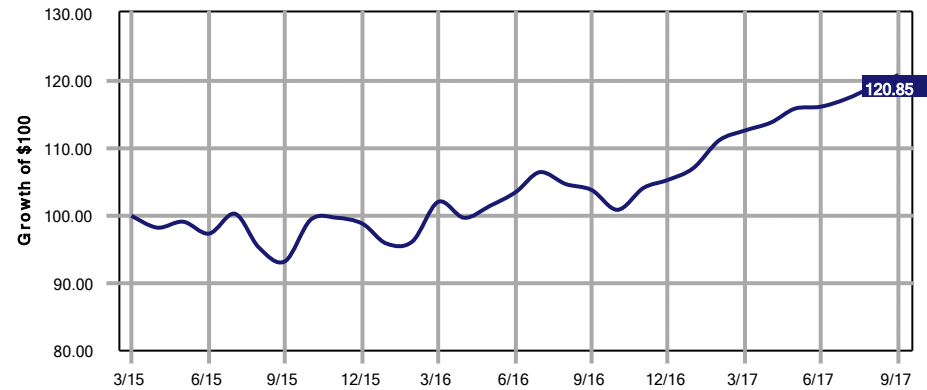


**Pensacola Firefighters' Relief and Pension Fund**  
**Sawgrass Diversified Large Cap Growth (SMA)**  
September 30, 2017

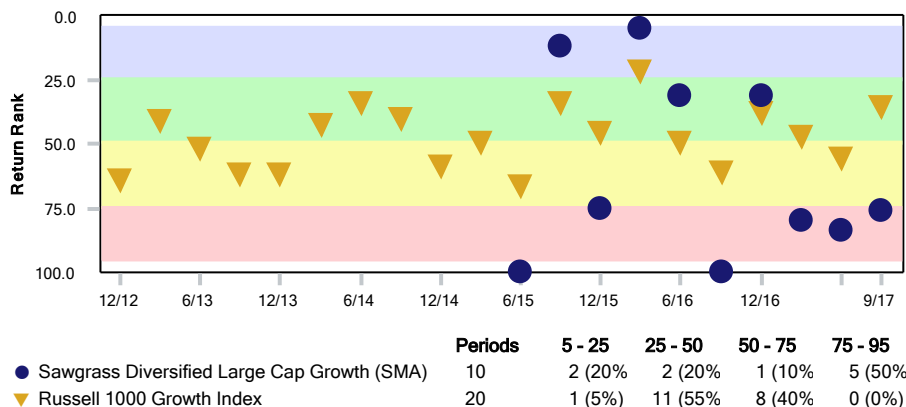
**1 Year Rolling Percentile Ranking - 5 Years**



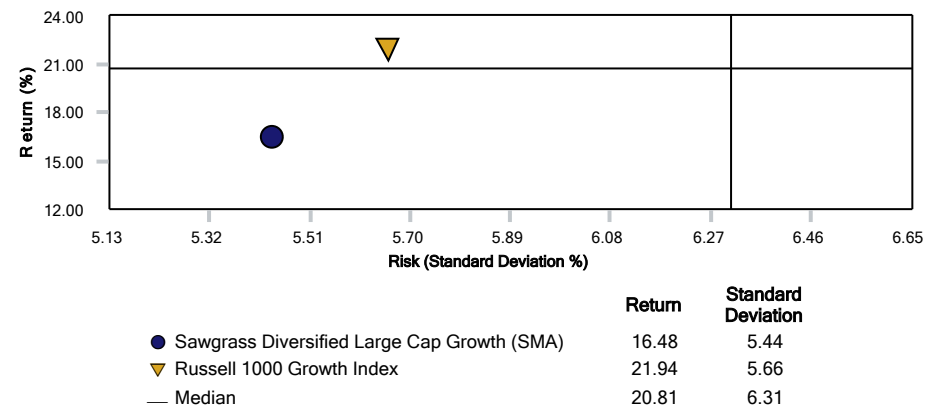
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

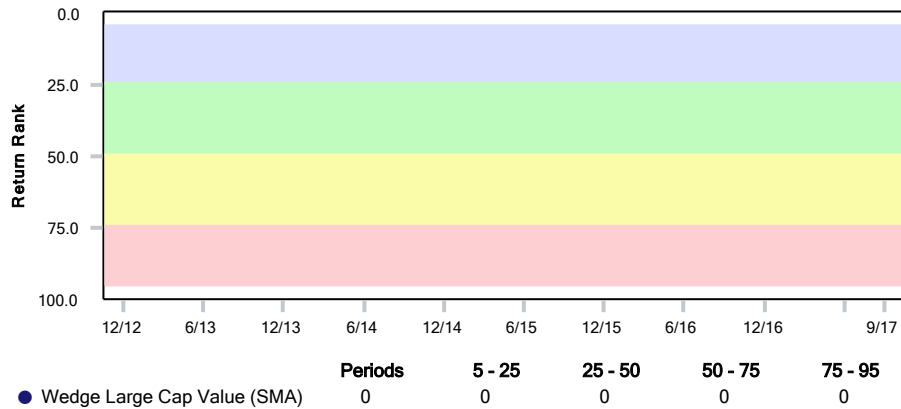
|   | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Sawgrass Diversified Large Cap Growth (SMA) | 16.48  | 5.44               | -1.56 | 0.85 | 2.74         | 99.33               | 79.47             |
| Russell 1000 Growth Index                   | 21.94  | 5.66               | 0.00  | 1.00 | 3.46         | 100.00              | 100.00            |

**Historical Statistics - 1 Quarter**

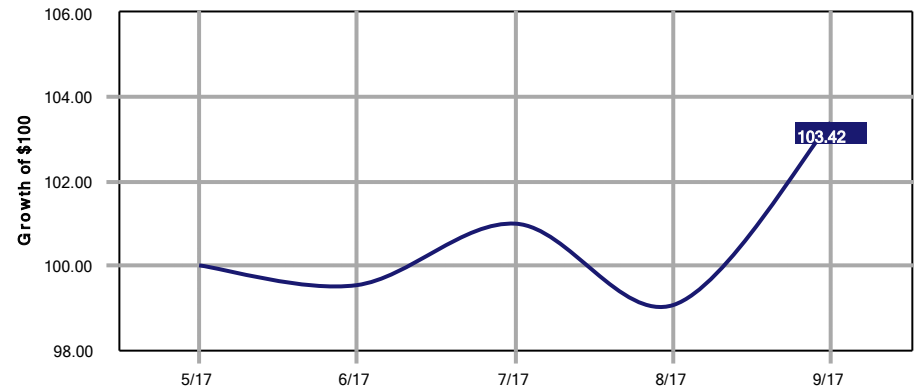
|   | Return | Standard Deviation | Alpha | Beta  | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|-------|--------------|---------------------|-------------------|
| Sawgrass Diversified Large Cap Growth (SMA) | 4.03   | 0.17               | 1.89  | -0.29 | 7.54         | N/A                 | 68.69             |
| Russell 1000 Growth Index                   | 5.90   | 0.56               | 0.00  | 1.00  | 3.29         | N/A                 | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Wedge Large Cap Value (SMA)**  
**September 30, 2017**

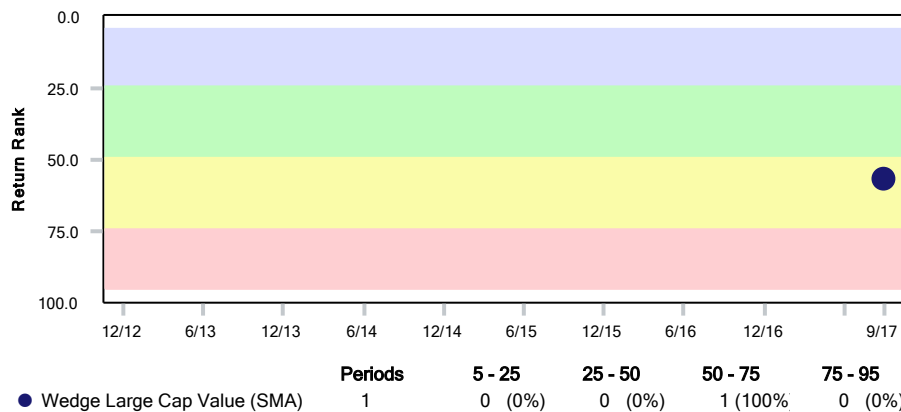
**1 Year Rolling Percentile Ranking - 5 Years**



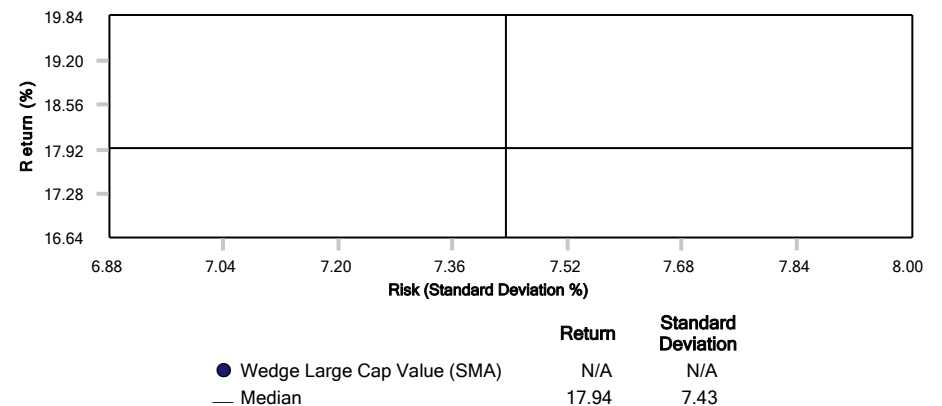
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

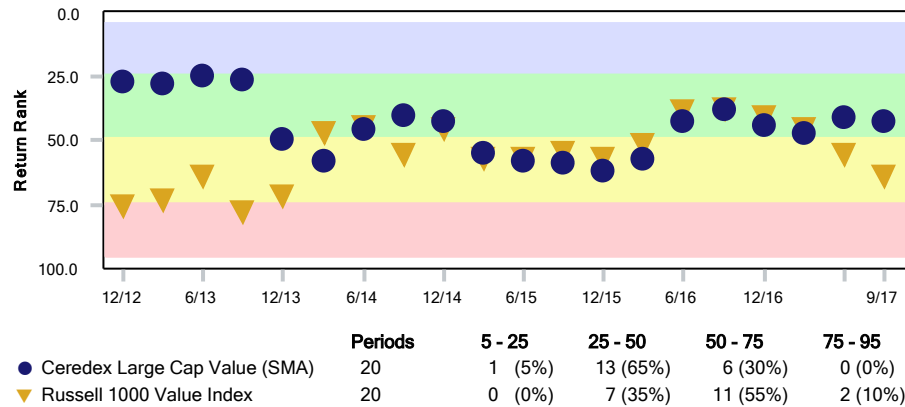
|                             | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Wedge Large Cap Value (SMA) | N/A    | N/A                | N/A   | N/A  | N/A          | N/A                 | N/A               |
| Russell 1000 Value Index    | 15.12  | 7.28               | 0.00  | 1.00 | 1.89         | 100.00              | 100.00            |

**Historical Statistics - 1 Quarter**

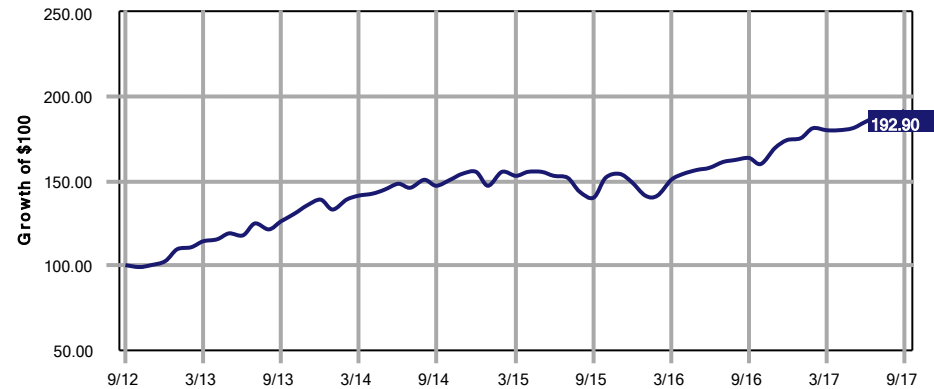
|                             | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Wedge Large Cap Value (SMA) | 3.88   | 2.58               | -0.27 | 1.52 | 0.47         | 165.26              | 136.42            |
| Russell 1000 Value Index    | 3.11   | 1.70               | 0.00  | 1.00 | 0.56         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Ceredex Large Cap Value (SMA)**  
**September 30, 2017**

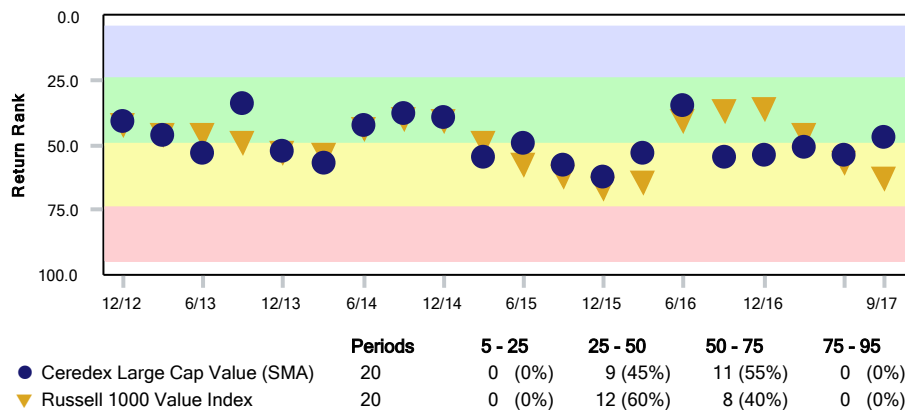
**5 Years Rolling Percentile Ranking - 5 Years**



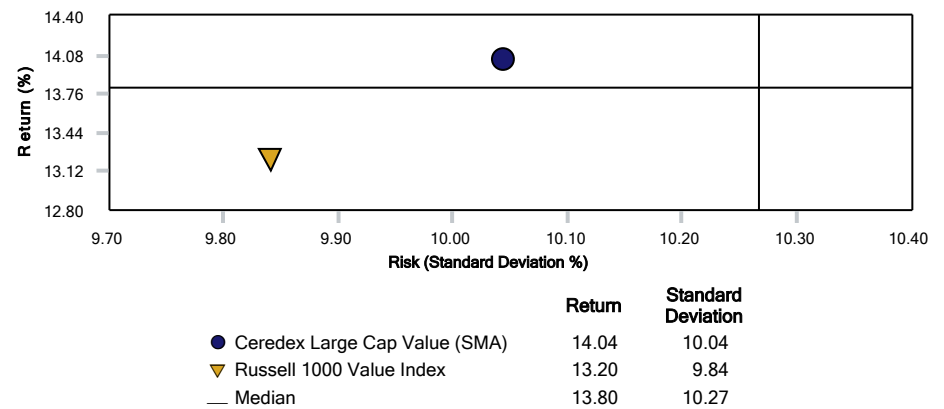
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

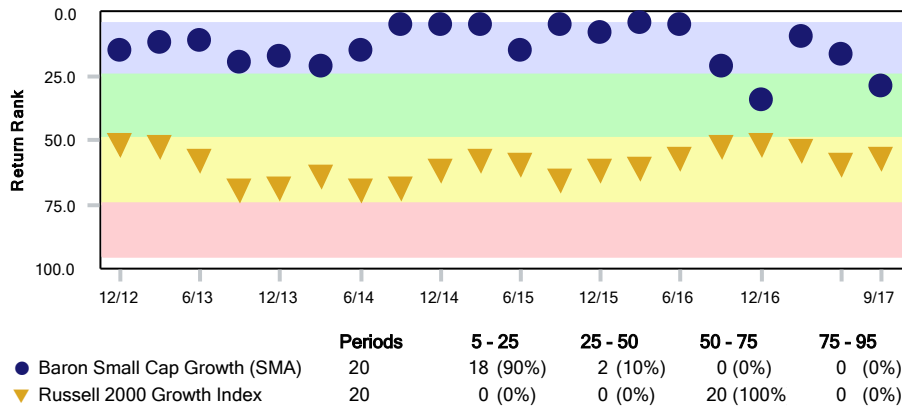
|                               | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Ceredex Large Cap Value (SMA) | 14.04  | 10.04              | 0.78  | 1.00 | 1.35         | 93.89               | 101.30            |
| Russell 1000 Value Index      | 13.20  | 9.84               | 0.00  | 1.00 | 1.30         | 100.00              | 100.00            |

**Historical Statistics - 3 Years**

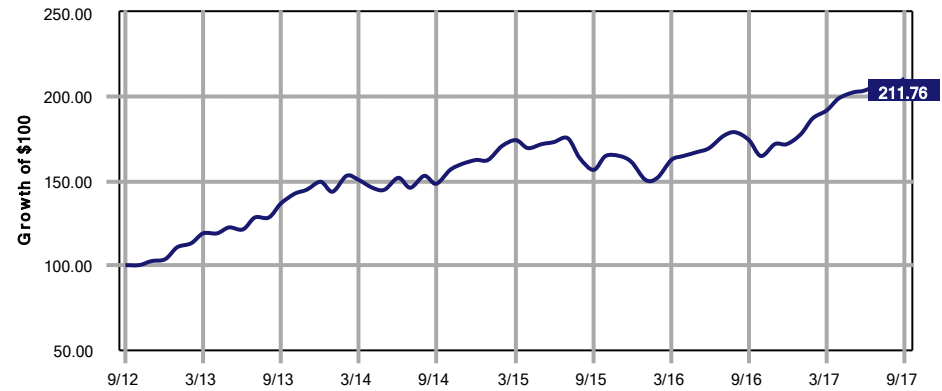
|                               | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Ceredex Large Cap Value (SMA) | 9.23   | 10.72              | 0.36  | 1.04 | 0.85         | 98.63               | 103.16            |
| Russell 1000 Value Index      | 8.53   | 10.17              | 0.00  | 1.00 | 0.83         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Baron Small Cap Growth (SMA)**  
**September 30, 2017**

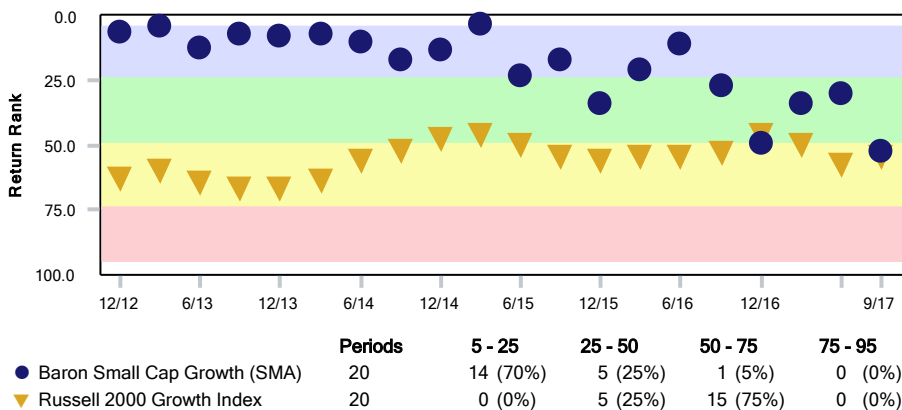
**5 Years Rolling Percentile Ranking - 5 Years**



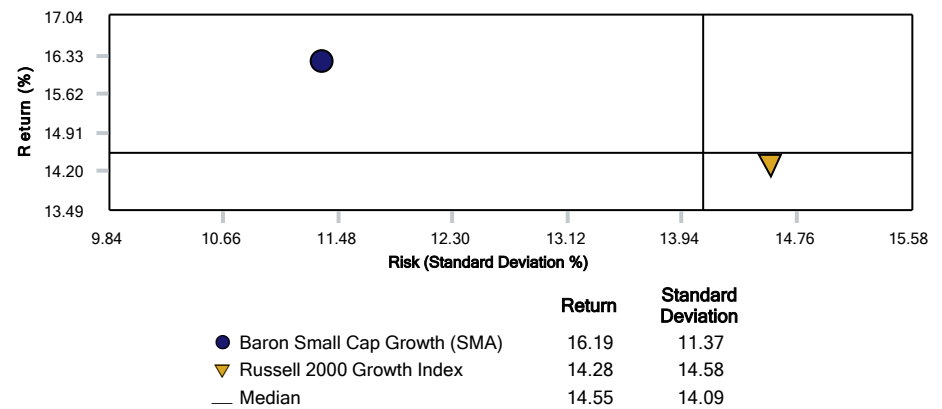
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

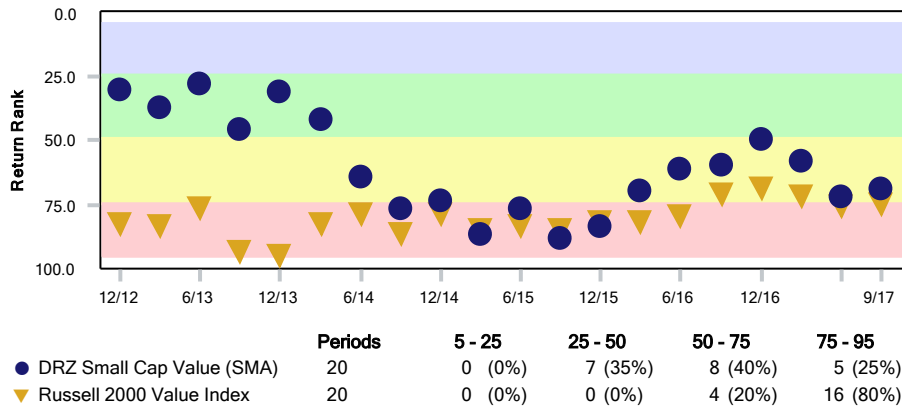
|                              | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Baron Small Cap Growth (SMA) | 16.19  | 11.37              | 5.88  | 0.69 | 1.37         | 57.47               | 83.46             |
| Russell 2000 Growth Index    | 14.28  | 14.58              | 0.00  | 1.00 | 0.98         | 100.00              | 100.00            |

**Historical Statistics - 3 Years**

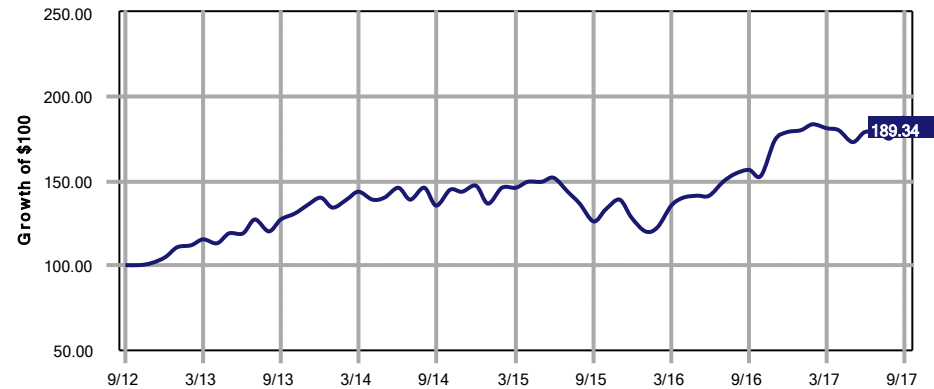
|                              | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Baron Small Cap Growth (SMA) | 12.36  | 11.08              | 4.16  | 0.65 | 1.09         | 57.21               | 76.01             |
| Russell 2000 Growth Index    | 12.17  | 14.90              | 0.00  | 1.00 | 0.83         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**DRZ Small Cap Value (SMA)**  
**September 30, 2017**

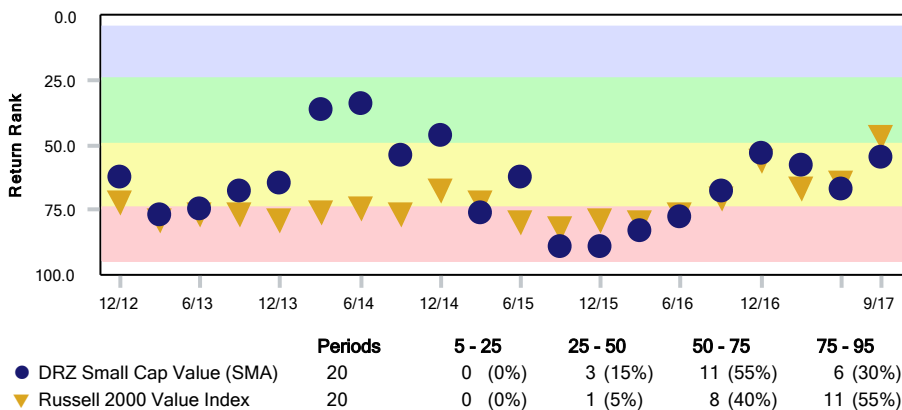
**5 Years Rolling Percentile Ranking - 5 Years**



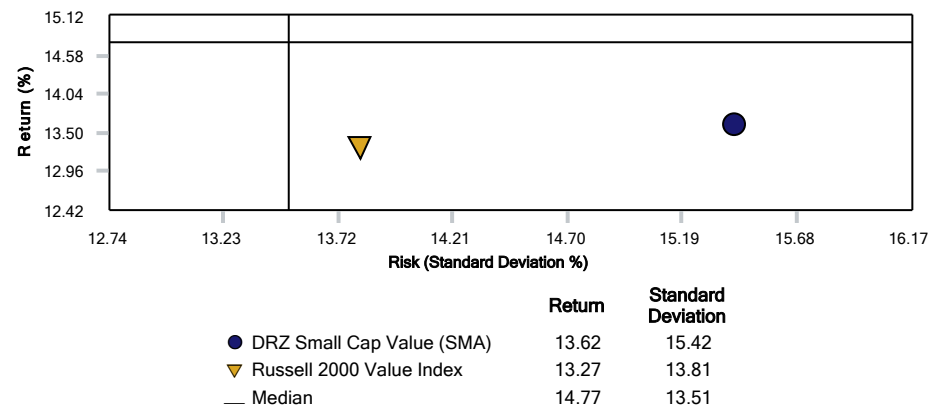
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

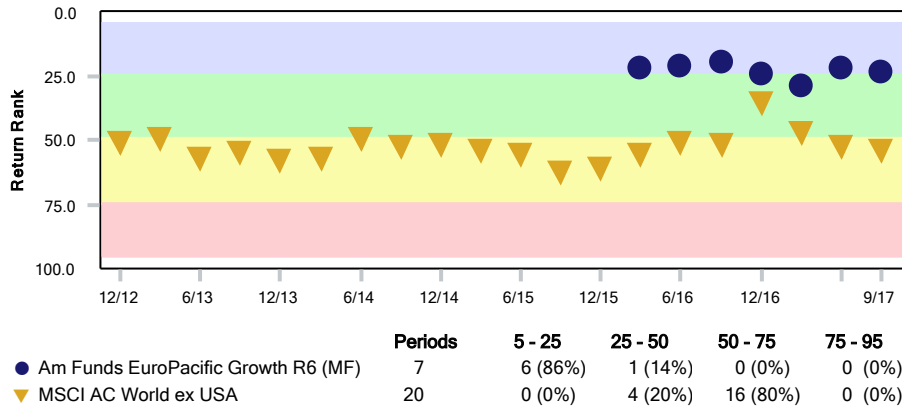
|                           | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| DRZ Small Cap Value (SMA) | 13.62  | 15.42              | -0.27 | 1.06 | 0.90         | 106.83              | 105.44            |
| Russell 2000 Value Index  | 13.27  | 13.81              | 0.00  | 1.00 | 0.96         | 100.00              | 100.00            |

**Historical Statistics - 3 Years**

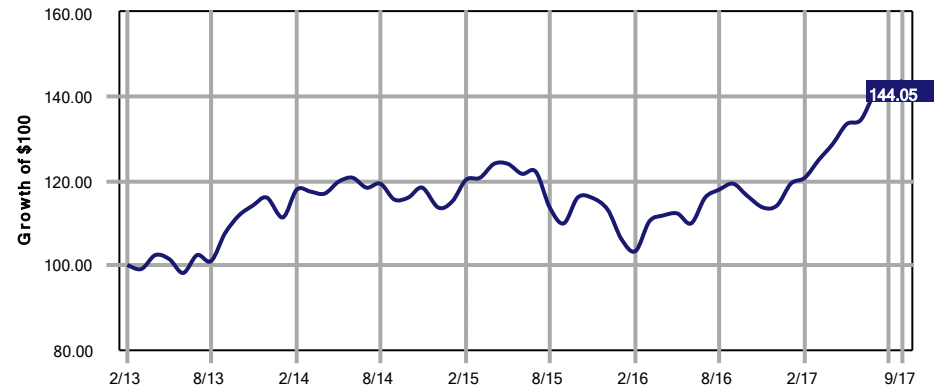
|                           | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| DRZ Small Cap Value (SMA) | 11.74  | 16.80              | -1.27 | 1.11 | 0.73         | 111.15              | 105.95            |
| Russell 2000 Value Index  | 12.12  | 14.37              | 0.00  | 1.00 | 0.85         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Am Funds EuroPacific Growth R6 (MF)**  
**September 30, 2017**

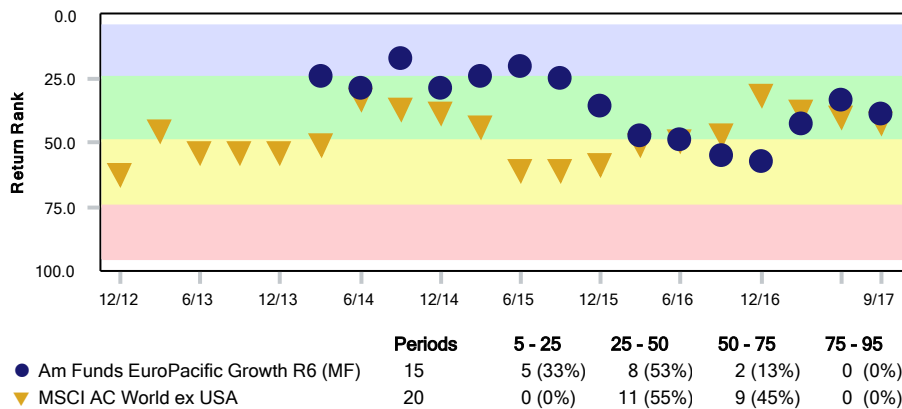
**3 Years Rolling Percentile Ranking - 5 Years**



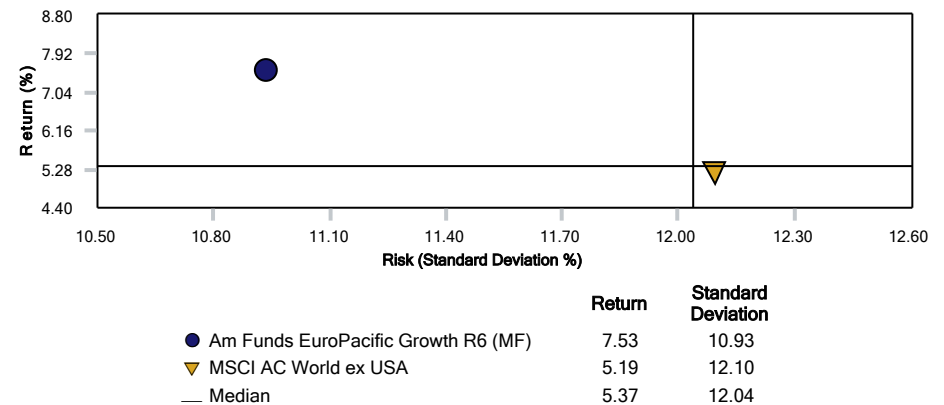
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

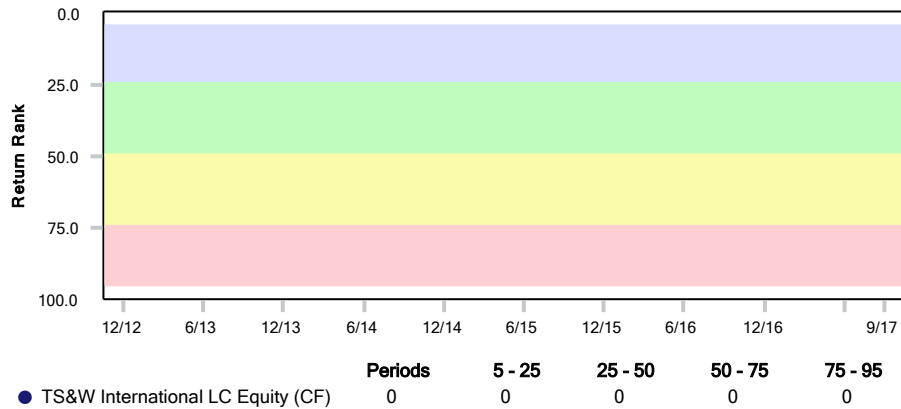
|                                     | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Am Funds EuroPacific Growth R6 (MF) | 7.53   | 10.93              | 2.95  | 0.86 | 0.70         | 77.07               | 94.42             |
| MSCI AC World ex USA                | 5.19   | 12.10              | 0.00  | 1.00 | 0.46         | 100.00              | 100.00            |

**Historical Statistics - 1 Year**

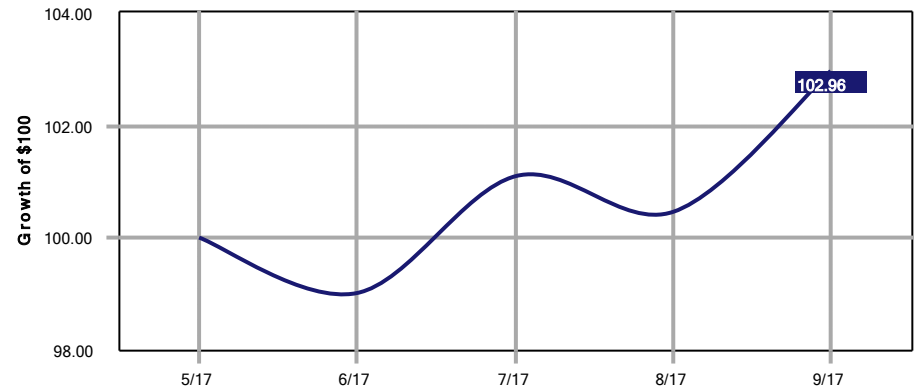
|                                     | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Am Funds EuroPacific Growth R6 (MF) | 20.63  | 7.61               | -1.43 | 1.10 | 2.45         | 125.03              | 106.33            |
| MSCI AC World ex USA                | 20.15  | 6.39               | 0.00  | 1.00 | 2.84         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**TS&W International LC Equity (CF)**  
**September 30, 2017**

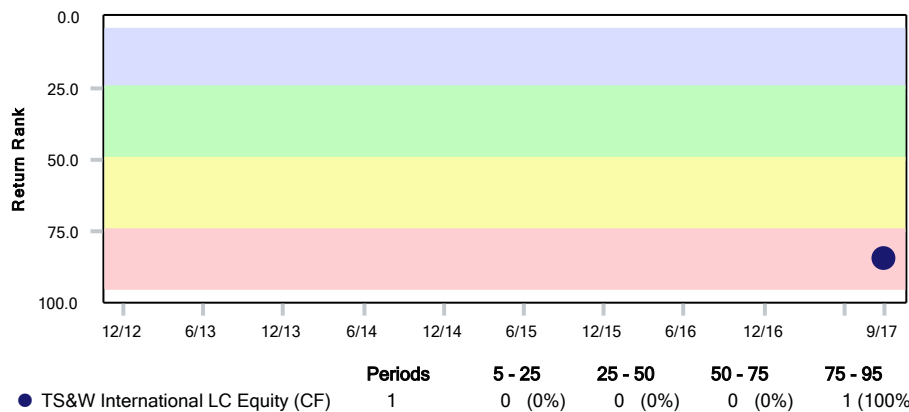
**1 Year Rolling Percentile Ranking - 5 Years**



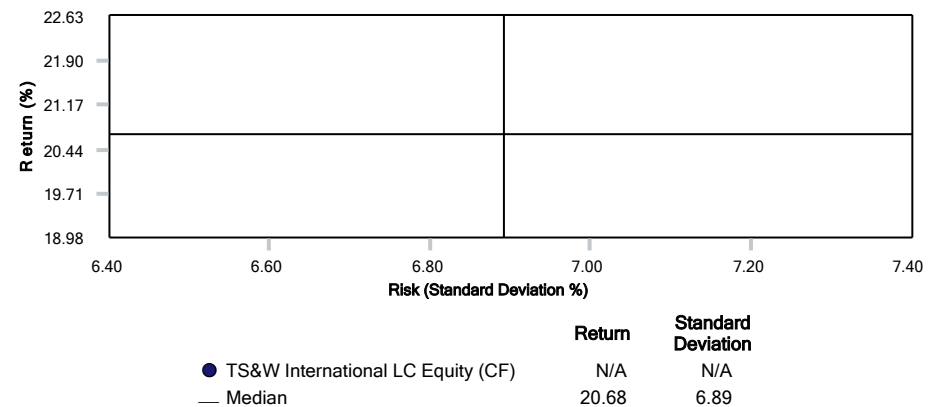
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

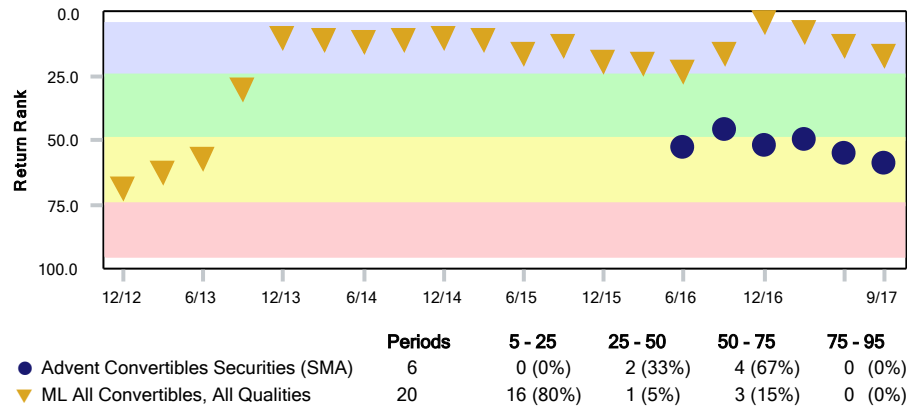
|                                   | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| TS&W International LC Equity (CF) | N/A    | N/A                | N/A   | N/A  | N/A          | N/A                 | N/A               |
| MSCI EAFE Index                   | 19.65  | 6.84               | 0.00  | 1.00 | 2.59         | 100.00              | 100.00            |

**Historical Statistics - 1 Quarter**

|                                   | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|-----------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| TS&W International LC Equity (CF) | 3.98   | 1.38               | -0.55 | 1.04 | 0.89         | 2,612.13            | 84.63             |
| MSCI EAFE Index                   | 5.47   | 1.30               | 0.00  | 1.00 | 1.31         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Advent Convertibles Securities (SMA)**  
**September 30, 2017**

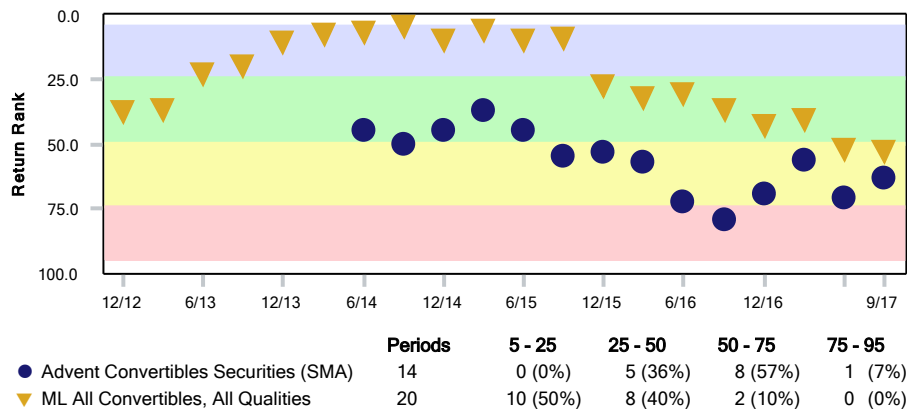
**5 Years Rolling Percentile Ranking - 5 Years**



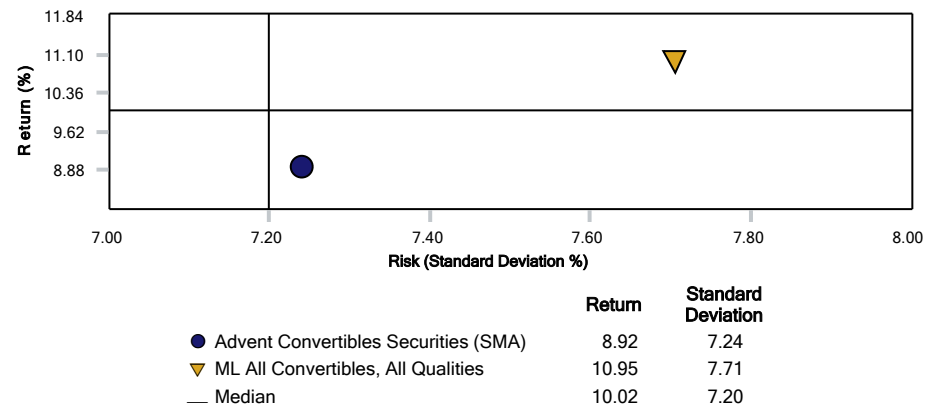
**Growth of a Dollar**



**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 |
|--------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Advent Convertibles Securities (SMA) | 8.92   | 7.24               | -0.87 | 0.90 | 1.20         | 85.77               | 83.65             |
| ML All Convertibles, All Qualities   | 10.95  | 7.71               | 0.00  | 1.00 | 1.37         | 100.00              | 100.00            |

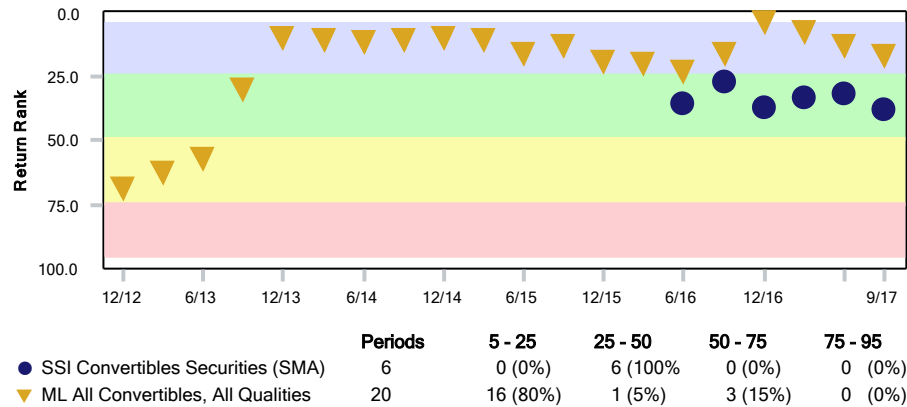
**Historical Statistics - 3 Years**

|                                      | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Advent Convertibles Securities (SMA) | 6.07   | 7.57               | -0.18 | 0.93 | 0.78         | 83.68               | 87.01             |
| ML All Convertibles, All Qualities   | 6.73   | 7.77               | 0.00  | 1.00 | 0.85         | 100.00              | 100.00            |

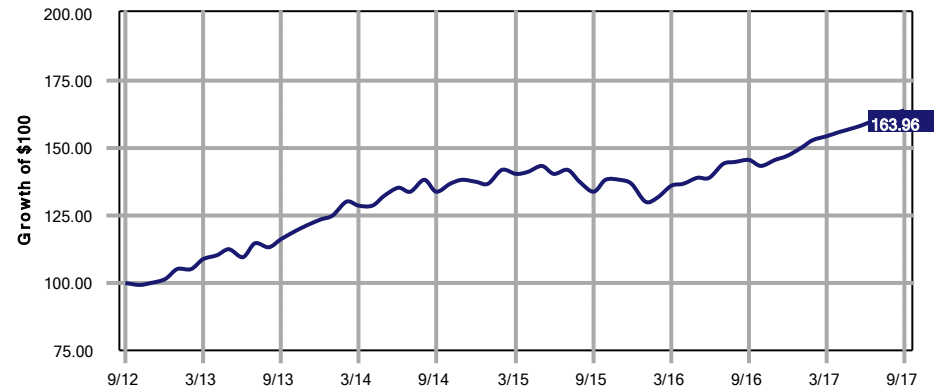


**Pensacola Firefighters' Relief and Pension Fund**  
**SSI Convertibles Securities (SMA)**  
**September 30, 2017**

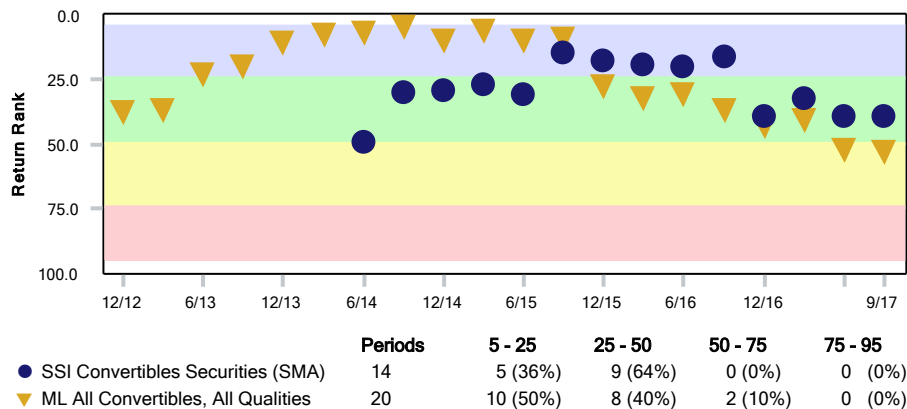
**5 Years Rolling Percentile Ranking - 5 Years**



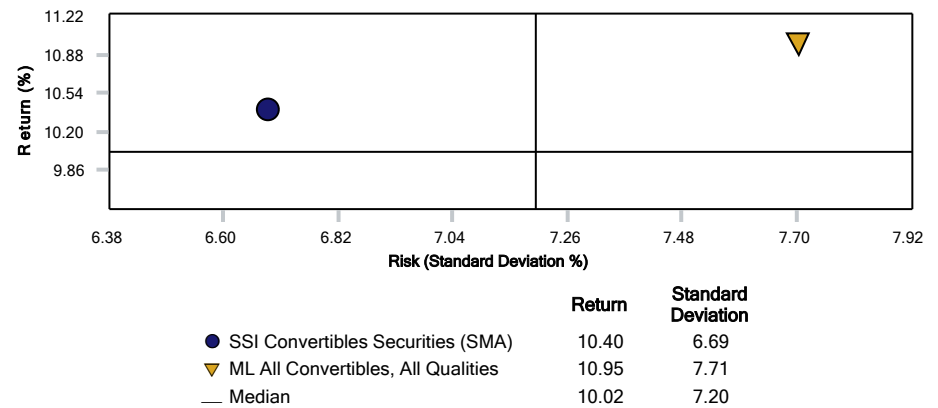
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

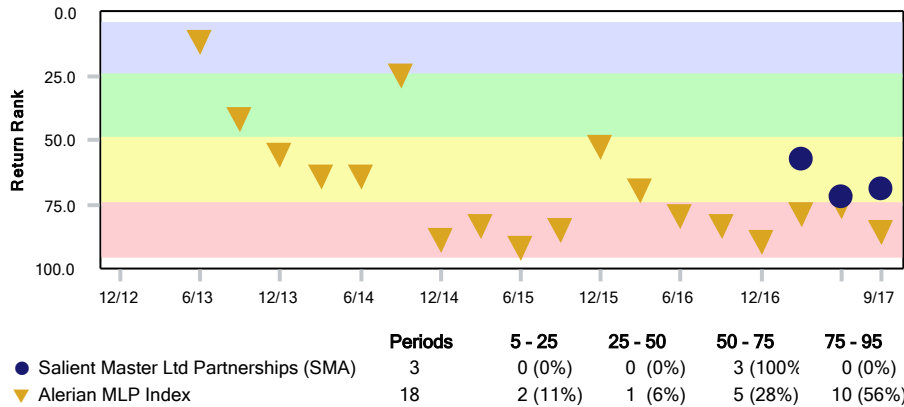
|                                    | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| SSI Convertibles Securities (SMA)  | 10.40  | 6.69               | 1.10  | 0.84 | 1.49         | 77.95               | 88.30             |
| ML All Convertibles, All Qualities | 10.95  | 7.71               | 0.00  | 1.00 | 1.37         | 100.00              | 100.00            |

**Historical Statistics - 3 Years**

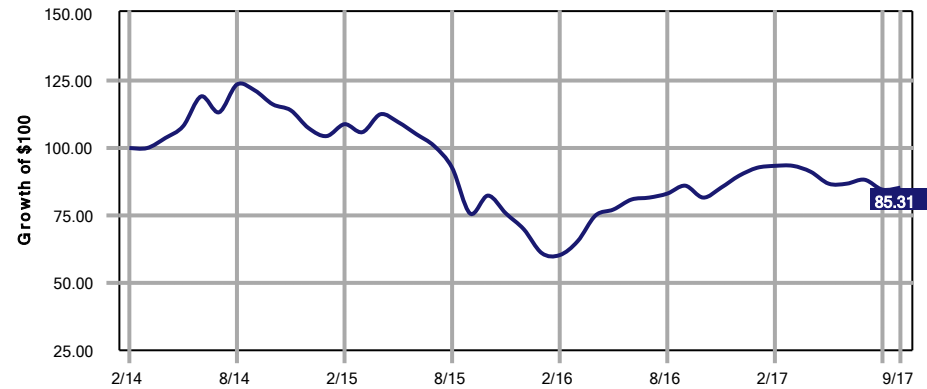
|                                    | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| SSI Convertibles Securities (SMA)  | 6.95   | 6.34               | 1.54  | 0.79 | 1.05         | 71.46               | 85.85             |
| ML All Convertibles, All Qualities | 6.73   | 7.77               | 0.00  | 1.00 | 0.85         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Salient Master Ltd Partnerships (SMA)**  
**September 30, 2017**

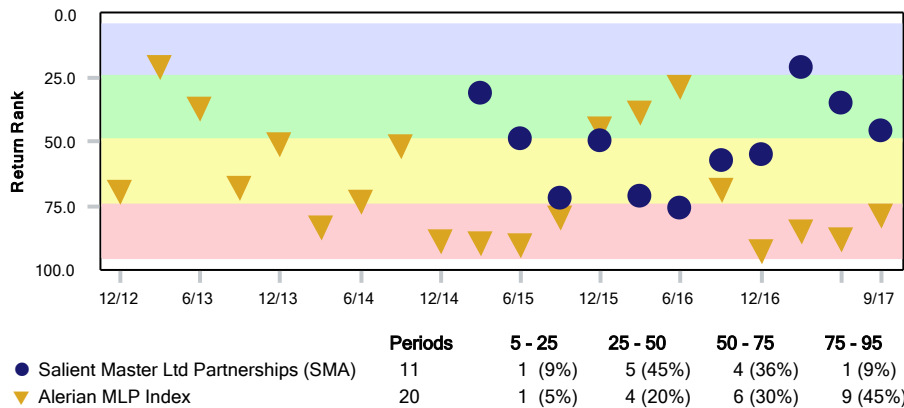
**3 Years Rolling Percentile Ranking - 5 Years**



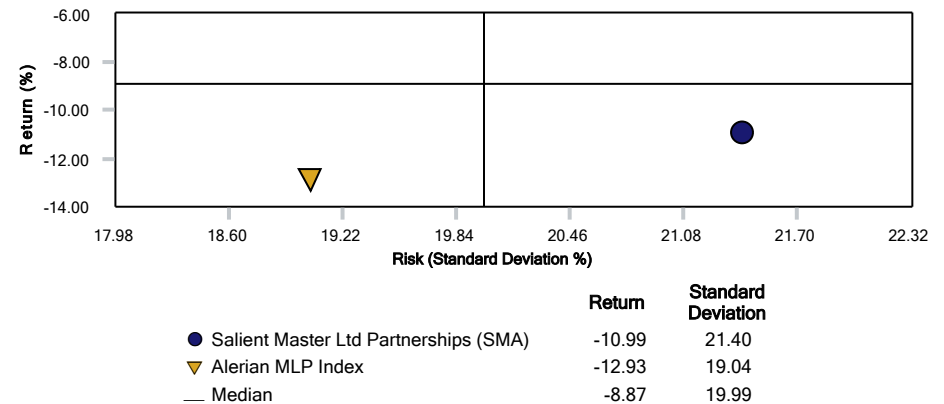
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

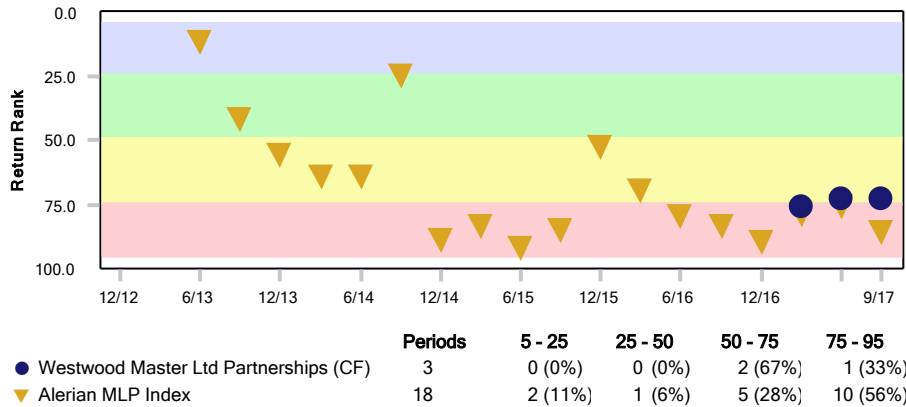
|                                       | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Salient Master Ltd Partnerships (SMA) | -10.99 | 21.40              | 3.75  | 1.08 | -0.45        | 102.01              | 116.30            |
| Alerian MLP Index                     | -12.93 | 19.04              | 0.00  | 1.00 | -0.64        | 100.00              | 100.00            |

**Historical Statistics - 1 Year**

|                                       | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Salient Master Ltd Partnerships (SMA) | -0.66  | 11.88              | 3.46  | 1.06 | -0.05        | 99.84               | 122.82            |
| Alerian MLP Index                     | -3.70  | 10.88              | 0.00  | 1.00 | -0.35        | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Westwood Master Ltd Partnerships (CF)**  
**September 30, 2017**

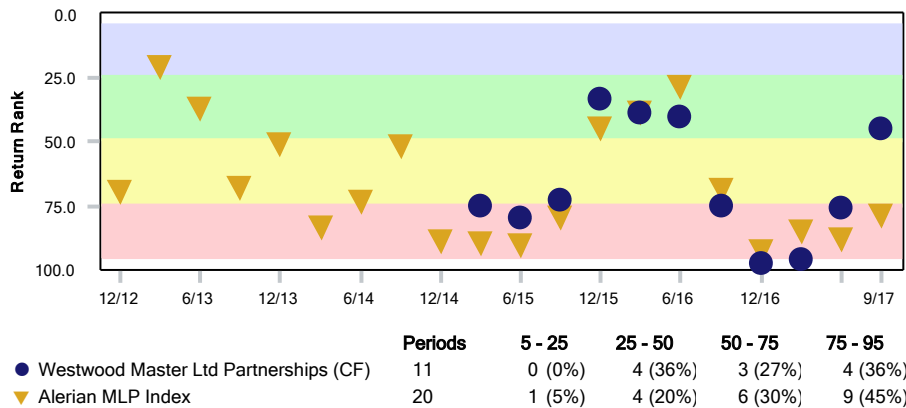
**3 Years Rolling Percentile Ranking - 5 Years**



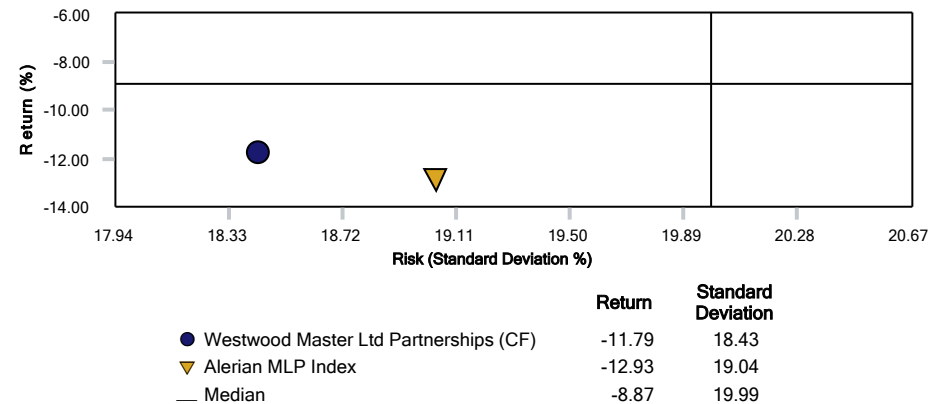
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

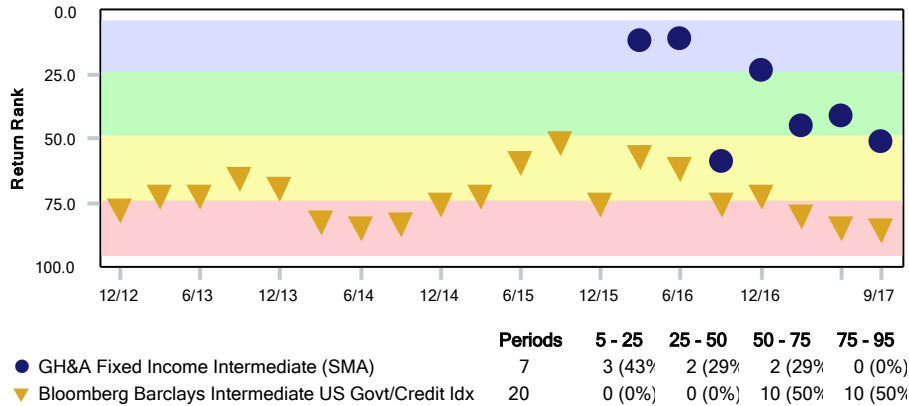
|                                       | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Westwood Master Ltd Partnerships (CF) | -11.79 | 18.43              | 0.57  | 0.95 | -0.60        | 92.39               | 93.77             |
| Alerian MLP Index                     | -12.93 | 19.04              | 0.00  | 1.00 | -0.64        | 100.00              | 100.00            |

**Historical Statistics - 1 Year**

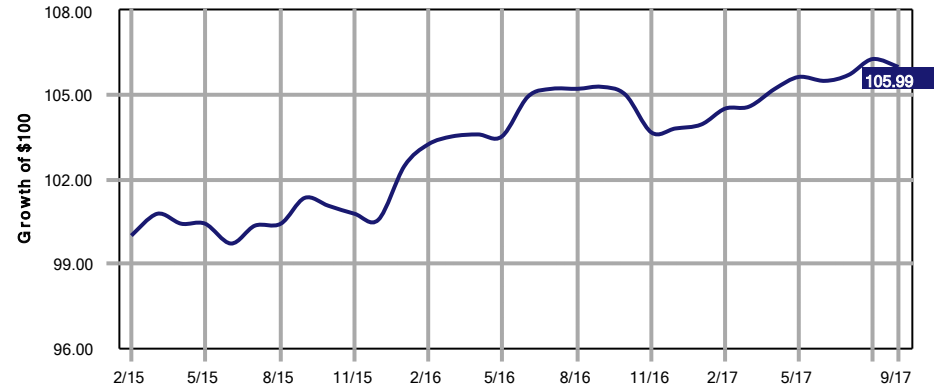
|                                       | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---------------------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Westwood Master Ltd Partnerships (CF) | -0.22  | 11.16              | 3.69  | 1.02 | -0.02        | 91.96               | 115.68            |
| Alerian MLP Index                     | -3.70  | 10.88              | 0.00  | 1.00 | -0.35        | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**GH&A Fixed Income Intermediate (SMA)**  
**September 30, 2017**

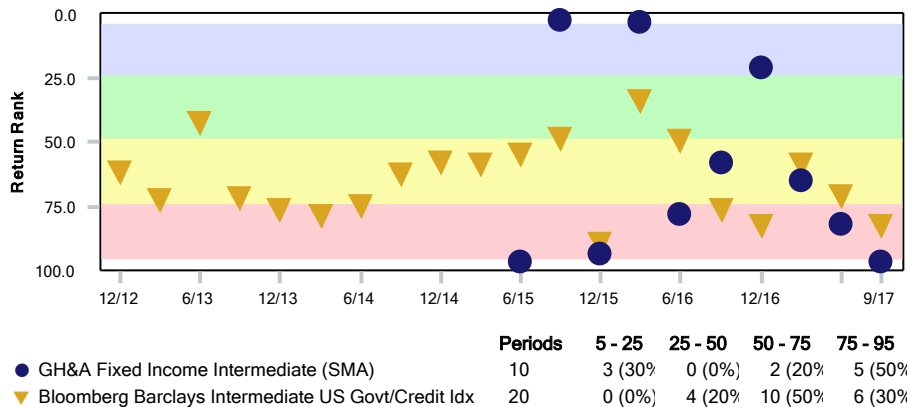
**1 Year Rolling Percentile Ranking - 5 Years**



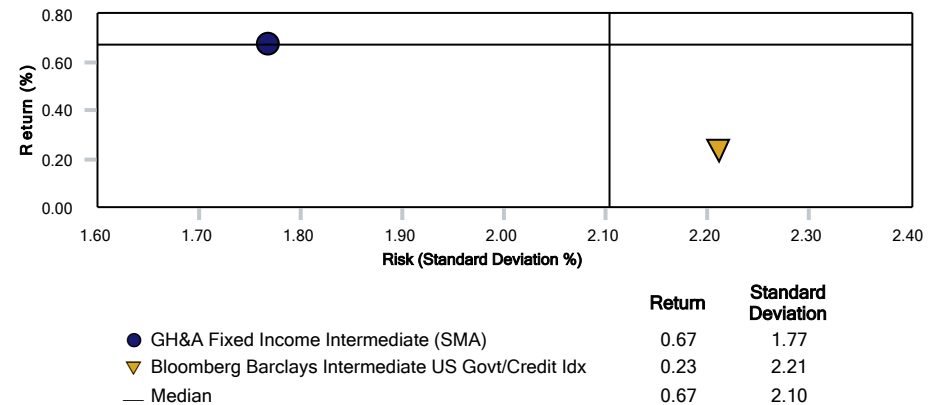
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

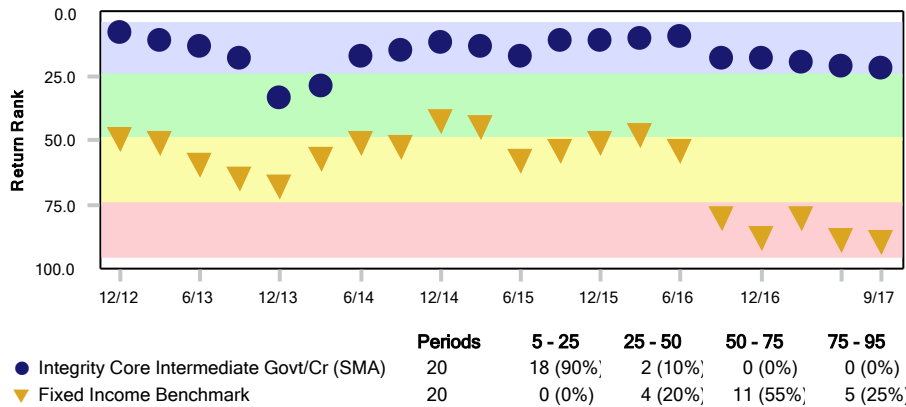
|  | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| GH&A Fixed Income Intermediate (SMA)               | 0.67   | 1.77               | 0.49  | 0.79 | 0.03         | 72.33               | 89.00             |
| Bloomberg Barclays Intermediate US Govt/Credit Idx | 0.23   | 2.21               | 0.00  | 1.00 | -0.18        | 100.00              | 100.00            |

**Historical Statistics - 1 Quarter**

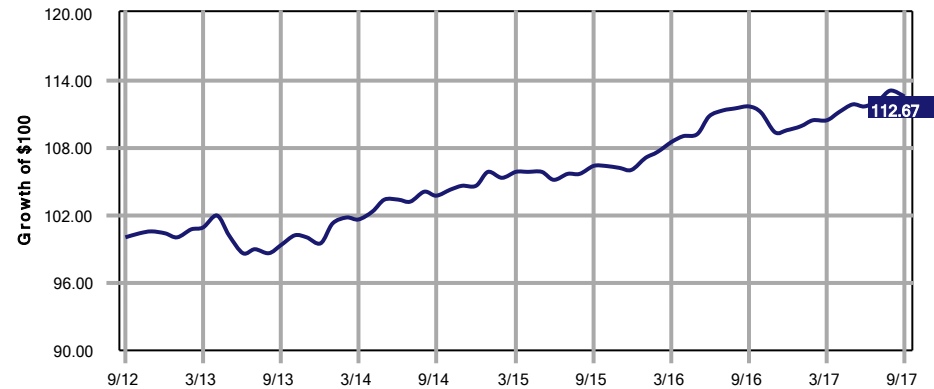
|  | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|--|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| GH&A Fixed Income Intermediate (SMA)               | 0.46   | 0.36               | 0.00  | 0.76 | 0.18         | 72.63               | 75.10             |
| Bloomberg Barclays Intermediate US Govt/Credit Idx | 0.60   | 0.46               | 0.00  | 1.00 | 0.24         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Integrity Core Intermediate Govt/Cr (SMA)**  
**September 30, 2017**

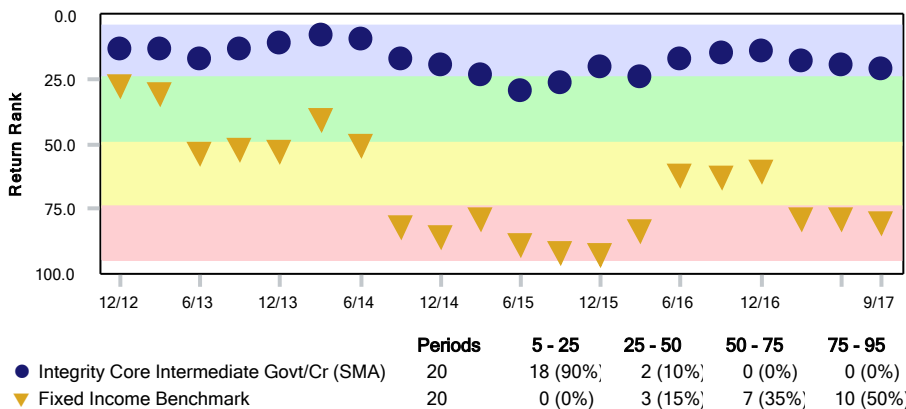
**5 Years Rolling Percentile Ranking - 5 Years**



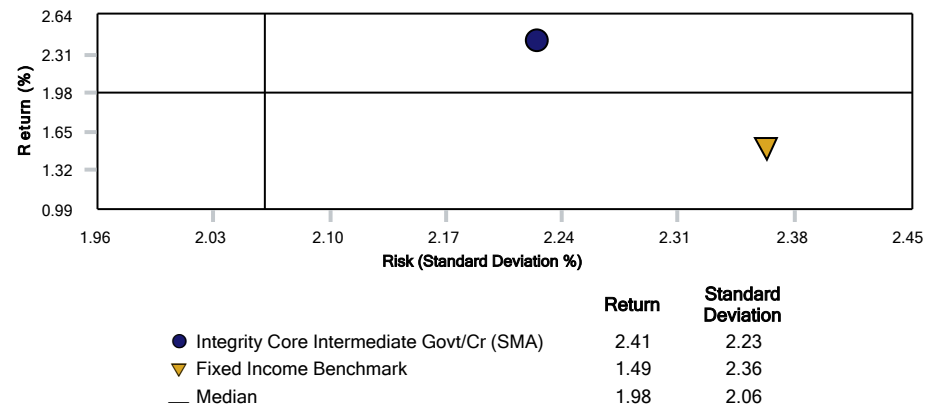
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

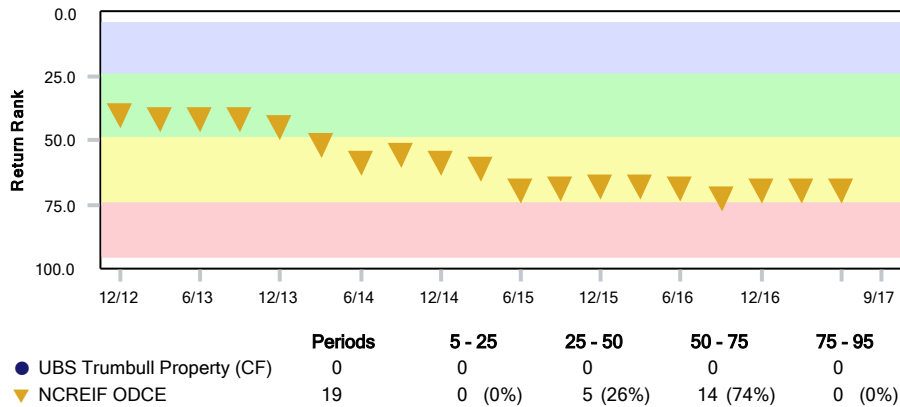
|   | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Integrity Core Intermediate Govt/Cr (SMA) | 2.41   | 2.23               | 1.03  | 0.92 | 1.00         | 72.78               | 106.01            |
| Fixed Income Benchmark                    | 1.49   | 2.36               | 0.00  | 1.00 | 0.56         | 100.00              | 100.00            |

**Historical Statistics - 3 Years**

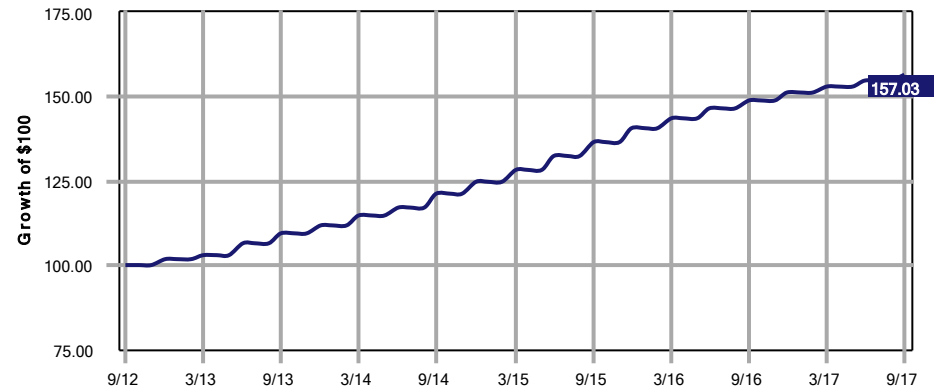
|   | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|---|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| Integrity Core Intermediate Govt/Cr (SMA) | 2.79   | 1.90               | 0.93  | 0.86 | 1.32         | 64.08               | 99.29             |
| Fixed Income Benchmark                    | 2.13   | 2.14               | 0.00  | 1.00 | 0.87         | 100.00              | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**UBS Trumbull Property (CF)**  
**September 30, 2017**

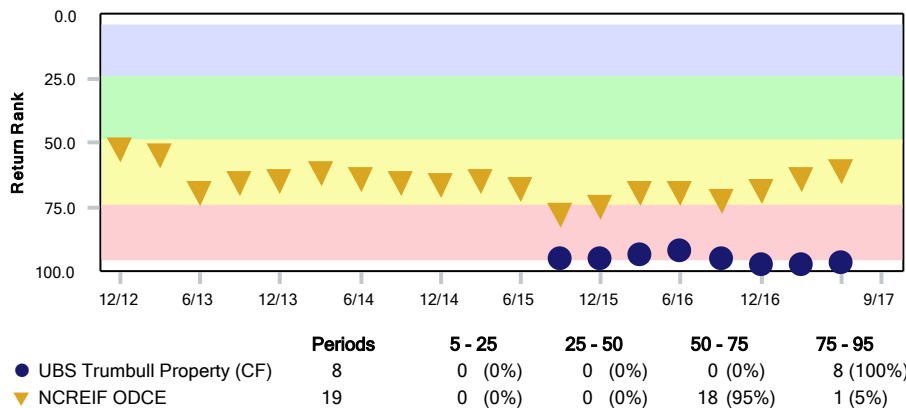
**5 Years Rolling Percentile Ranking - 5 Years**



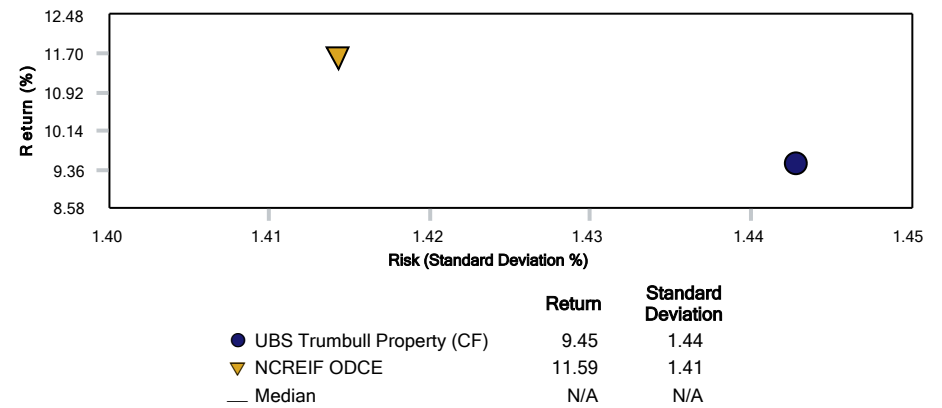
**Growth of a Dollar**



**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 |
|----------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| UBS Trumbull Property (CF) | 9.45   | 1.44               | -1.07 | 0.92 | 5.82         | N/A                 | 82.12             |
| NCREIF ODCE                | 11.59  | 1.41               | 0.00  | 1.00 | 7.22         | N/A                 | 100.00            |

**Historical Statistics - 3 Years**

|                            | Return | Standard Deviation | Alpha | Beta | Sharpe Ratio | Down Market Capture | Up Market Capture |
|----------------------------|--------|--------------------|-------|------|--------------|---------------------|-------------------|
| UBS Trumbull Property (CF) | 8.99   | 1.59               | -1.61 | 0.99 | 4.92         | N/A                 | 83.47             |
| NCREIF ODCE                | 10.85  | 1.55               | 0.00  | 1.00 | 6.06         | N/A                 | 100.00            |

**Pensacola Firefighters' Relief and Pension Fund**  
**Glossary**  
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- 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).
- MID 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.



**Pensacola Firefighters' Relief and Pension Fund**  
**Disclosure**  
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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 has not reviewed the risks of individual security holdings.
- 9.BCA investment reports are not indicative of future results.
10. Performance rankings are time sensitive and subject to change.
11. Mutual Fund (MF) and ETF returns are presented net of fees and ranked in net of fee universes.
12. Separately Managed Account (SMA) and Commingled Fund (CF) returns are presented gross of fees and ranked in gross of fees universes.
13. Composite returns are reported gross of fees and ranked in universes that encompass both gross and net of fee returns.
14. Total Fund returns are presented gross of fees and ranked in a gross of fee universe.
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