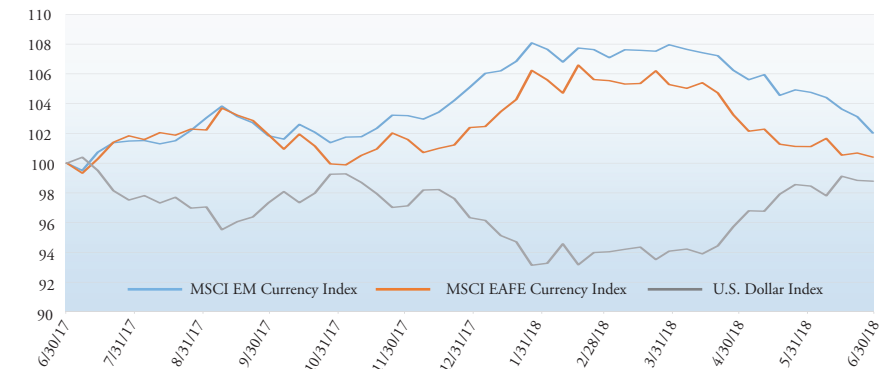


City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

International equity markets fell for the second consecutive quarter in U.S. dollar terms, marking the weakest six-month start to a year since 2010. The culprits leading to the decline in equity prices ranged from tariffs to foreign exchange fluctuations, and investors appear to give little chance of any short-term resolutions to this growing list of headaches. Our benchmark MSCI ACWI ex US fell 2.5%, with Emerging markets experiencing the worst of the declines, as the MSCI Emerging Market Index sank 7.8% compared to the developed market MSCI EAFE's drop of 1.1%. Only 11 of the 46 country indices within our benchmark gained for the quarter, although in local currency terms 24 country indices were positive, highlighting the impact that weaker foreign currencies had on returns for dollar-denominated investors this quarter.

In times of uncertainty, investors have traditionally favored the safe haven of U.S. currency. The U.S. dollar faces its own headwinds with a growing fiscal deficit in light of the large tax cuts implemented last year, but investors tend to be more short-term oriented and are focusing on protecting current assets. The U.S. Dollar Index gained 5.0% for the quarter, reversing weakness from the first three months of the year (Chart 1). All major currencies

CHART 1: U.S. Dollar Gaining Strength



Data from 6/30/17–6/30/18; Base 100 as of 6/30/17
Source: FactSet, Bloomberg, MSCI

CHART 2: Exports as a Percent of Gross Domestic Product (GDP)

EUROZONE	27%
CHINA	19%
UNITED STATES	12%

Eurozone data as of 12/31/16; China and U.S. Data as of 12/31/17

Source: FactSet, U.S. Census Bureau, U.S. Bureau of Economic Analysis, National Bureau of Statistics of China, Customs China, Eurostat, ECB

fell relative to the dollar, in particular emerging market currencies such as the Turkish lira (-13.5%) and the Brazilian real (-13.6%).

The increasing likelihood of a global trade war over tariffs played a major role in the market's mood during the quarter. Trade tensions remained elevated, with the Trump administration exchanging barbs with Chinese officials over issues within the technology, steel and agriculture industries. In addition to heightened rhetoric with China,

President Trump has now drawn a line in the sand with Germany over its automobile industry and Canada and Mexico regarding the North America Free Trade Agreement (NAFTA). While we continue to remain optimistic that a global trade war can be averted, the antagonistic approach towards our allies gives us pause. Europe is most exposed to tariffs with 27% of their Gross Domestic Product (GDP) export related (Chart 2), while Chinese exports account for less than 20% of their GDP.

MARKET VALUE SUMMARY

	Quarter Ending 6/30/18
Equities	\$3,070,524
Cash	\$40,716
Total Portfolio	\$3,111,240

PORTFOLIO PERFORMANCE⁽¹⁾⁽²⁾

	Quarter Ending 6/30/18	Year-to-Date 6/30/18
General Employees' Plan (net of fees)	-4.5%	-4.4%
MSCI ACWI ex US Index ⁽³⁾	-2.5%	-3.8%

⁽¹⁾Performance and Benchmark data sources: Renaissance Research, Bloomberg, MSCI

⁽²⁾For 1Q18, Renaissance returns are for the period ending 3/29/18 and benchmark returns are for the period ending 3/30/18, due to the observance of a holiday.

⁽³⁾Renaissance primary benchmark.

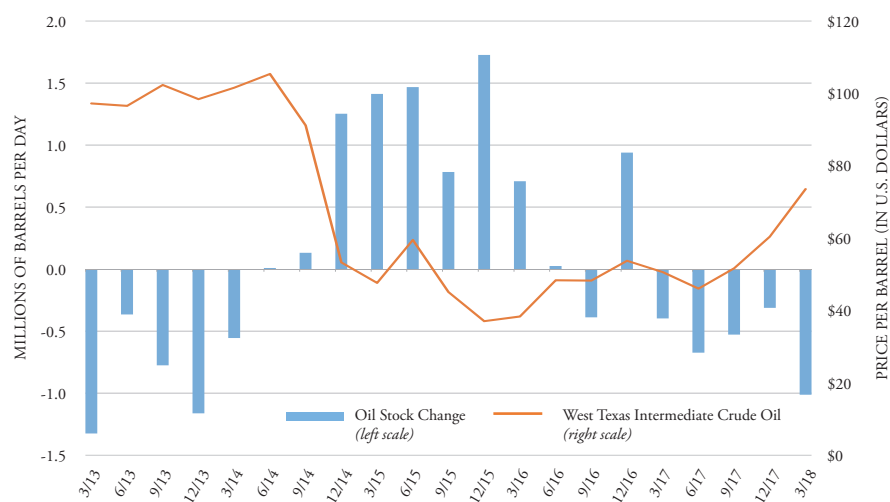
Until a formal resolution on trade issues is reached, we expect to see continued volatility in capital markets.

National elections took center stage in a number of countries including Turkey and Mexico. President Erdogan won elections in June and further strengthened his grip on the Turkish economy. In response to his comments regarding the need for lower interest rates, the Turkish lira has declined rapidly against most major

currencies this year as investors worry about the independence of the central bank. This has caused further pain to a fragile economy as Turkey historically borrows funds on a short-term basis. Mexico elected Andres Manuel López Obrador as its new president. The leftist president favors raising the labor standards for Mexican workers, an act that may help in the current NAFTA negotiations with the U.S. and Canada. In Europe, German

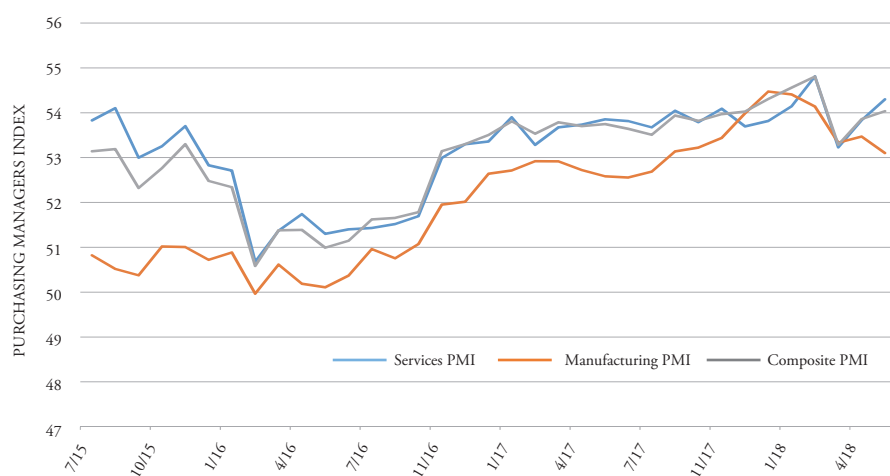
Chancellor Angela Merkel is working to keep her fragile coalition together as debate rages over European Union immigration policies. In Italy, the Five Star Movement and the League agreed to form a coalition, marking the first fully populist government in Europe. With this new government, investors grew concerned the political players would push for Italy to exit the European Union, which led to weakness in Italian securities.

CHART 3: Supply and Demand Dynamics Supporting Higher Oil Prices



Data from 3/31/13–3/31/18
 Source: FactSet, EIA Short-Term Energy Outlook, June 2018

CHART 4: Purchasing Managers Indices (PMIs)⁽¹⁾ Soften



Data from 7/31/15–5/31/18
⁽¹⁾The Purchasing Managers Index (PMI) is an indicator of economic health for manufacturing and service sectors. The purpose of the PMI is to provide information about current business conditions to company decision makers, analysts and purchasing managers. Composite PMIs are calculated by taking the weighted average of the manufacturing and services PMI indices for each country, using relative weights based on gross value added data provided by the national statistical institute in each country. An index reading of 50.0 signals no change since the previous month. Above 50.0 signals an increase (or improvement), below 50.0 a decrease (or deterioration). The greater the divergence from 50.0, the greater the rate of change signaled.
 Source: FactSet, IHS Markit

Crude oil prices rose further during the quarter, ending above \$74 per barrel (West Texas Intermediate). The rise in oil prices has been a result of strong demand from a global economic recovery, combined with supply constraints imposed by OPEC (Chart 3). In June, OPEC agreed to increase production by 1 million barrels per day, but this additional supply may only serve to offset declining production in countries such as Venezuela, Iran and Angola, resulting in oil prices staying firm.

While the global economy is still relatively strong, recent economic data shows that growth may be peaking. After two years of steady increases, Purchasing Managers Indices (Chart 4) have started to plateau. In particular, manufacturing indices have been trending lower since the beginning of the year. While this is just one set of economic statistics, it may indicate that the tariff turmoil and rising geopolitical risks are dampening growth prospects and leading to a so-called “risk-off” environment. As this relates to equity markets, investors tend to favor growth stocks over value stocks in periods where economic strength is waning. Whether looking at U.S, foreign, large cap or small cap markets, growth indices have performed better than value indices year-to-date.

Along with global economic growth, investors focus on company level earnings to gauge prospects for future performance. The recent tax cuts in the

U.S. have boosted the bottom line for many U.S.-based companies. However, foreign firms are also witnessing an increase in earnings following the bottoming of profits in mid-2015 (Chart 5). Based on estimates provided by Bloomberg, earnings per share for the companies in the MSCI ACWI ex US are expected to rise from \$18.90 in 2017 to \$21.38 in 2018. In addition to positive earnings growth, valuation plays an important part in the analysis of equity markets. Foreign markets performed well in 2017 compared to U.S. equity markets, but valuation still favors non-U.S. markets as shown in Chart 6. While many other factors such as foreign exchange and geopolitical risk play into the attractiveness of any asset, the better valuations of foreign markets, in particular emerging markets, provide a good starting point for analysis and help explain why our International Equity strategy maintains a meaningful exposure to emerging markets.

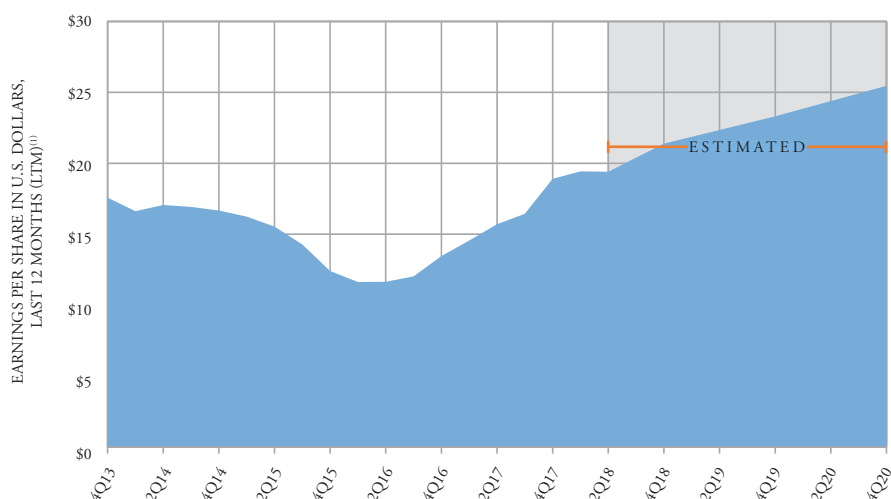
Strategy returns for the quarter trailed our benchmark with most of the relative underperformance occurring in late June as global trade tensions increased. Weakness for the quarter was broad based as only two sectors in our benchmark, Energy and Health Care, had positive returns for the quarter. One of our strategy's best contributing sectors was Energy, where our positive stock selection was offset by our underweight to the sector. We also had favorable results in Health Care, led by Irish contract research firm **ICON** (ICLR, +12.2%). Consumer Discretionary and Financials detracted the most from returns. European jewelry maker **Pandora** (PANDY, -34.8%) slid after the company warned of slowing sales in China. Within Financials, our banking industry exposure in emerging market countries, including China, South Korea and Thailand, detracted the most from returns.

Our stock selection within countries was negative for both developed markets and emerging markets. Japan and France detracted the most from absolute returns, although we did have a positive allocation effect from being overweight in France, while Ireland and Finland contributed the most to performance. As with our benchmark, our emerging market positions performed worse than our developed

market positions, with our Taiwanese semiconductor industry holdings leading to Taiwan detracting the most from our emerging market returns. Peru was our lone emerging market country with a positive return. We remain constructive on emerging markets despite recent weakness. As active managers, we seek out the best opportunities among the 24 emerging market countries in our benchmark.

CHART 5: Earnings Growth Trend Continues

MSCI ACWI ex US Index



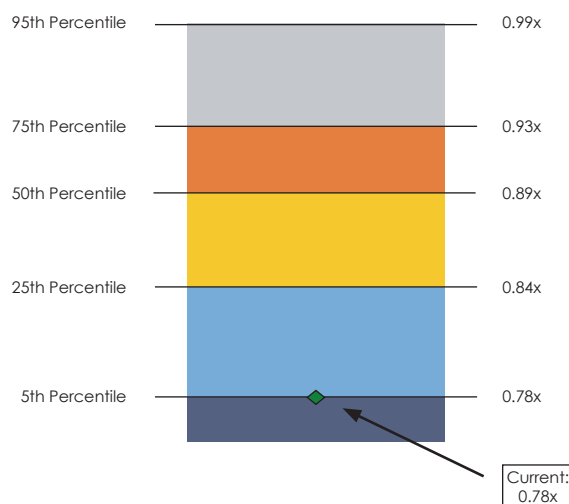
Data as of 6/28/18

(1) Determined by last 12 months earnings per share.

Source: Bloomberg, MSCI

CHART 6: International Valuation Relative to S&P 500 at Extreme Lows

MSCI ACWI ex US Last 12 Months Price-to-Earnings Ratio Relative to S&P 500 Last 12 Months Price-to-Earnings Ratio



Using monthly data from 7/31/08-6/29/18

Source: FactSet Aggregates, MSCI, Standard & Poor's

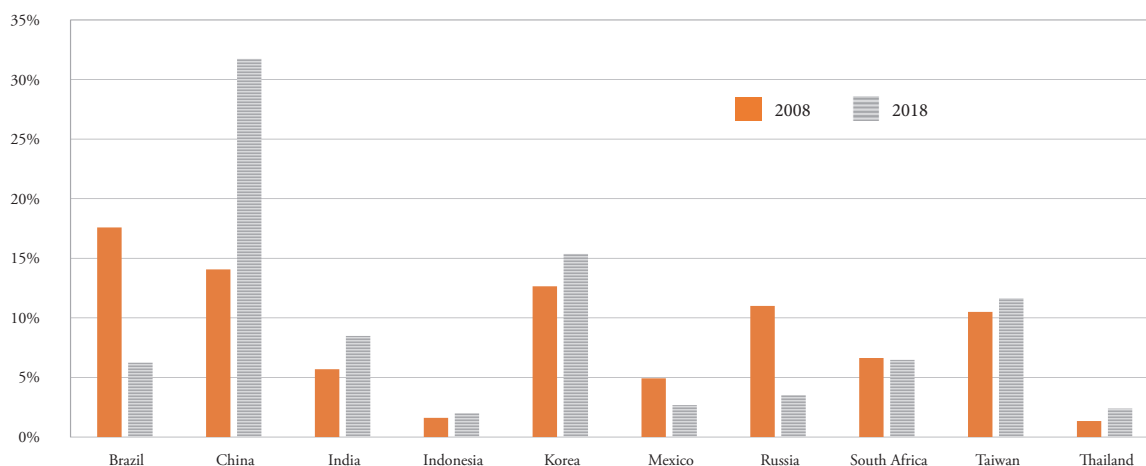
Currently the largest opportunity set in emerging markets is China, a contrast from 10 years ago when Brazil was the largest weight in the index (Chart 7).

Looking at the latter half of 2018, many of the same forces that have buffeted markets look set to continue. The Trump trade war is having a negative

effect on many parts of world, and uncertainty about the willingness of the U.S. to modify or even do away with longstanding commitments to NAFTA and even the World Trade Organization (WTO) may lead to further uneasiness. Retaliatory trade measures by Europe, Canada and China could put further pressure on asset prices, but

a resolution to the crisis would provide a firm footing for the equity markets as fundamentals and valuations remain attractive. With the exception of the U.S. Federal Reserve, most banks remain in an accommodative stance, providing their economies with ready liquidity to maintain economic growth.

CHART 7: Changes in Emerging Market Weights Favoring Southeast Asian Countries
MSCI Emerging Markets Index



Data as of 6/30/18
Source: FactSet, MSCI

The opinions stated in this presentation are those of the authors as of the date listed on this presentation and are subject to change at any time due to changes in market or economic conditions. Past performance is not indicative of future results. Performance for periods of less than a year is not annualized. All returns are shown in U.S. dollars unless otherwise stated. Individual securities and their returns listed in the commentary are based upon a representative account of the strategy discussed. These securities and returns may not be the same for all accounts due to factors such as pending trades or account restrictions. Renaissance is neither a law firm nor an accounting firm, and no portion of its services should be construed as legal or accounting advice. Please remember that it remains your responsibility to advise Renaissance, in writing, if there are any changes to your personal/financial situation, investment objectives or if you would like to add, delete or modify any reasonable restrictions to our investment advisory services. Unless you advise, in writing, to the contrary, we will assume that there are no restrictions on our services, other than to manage the account in accordance with your designated investment objective and your Investment Advisory Agreement. Please compare this statement with account statements received from the account custodian. The account custodian does not verify the accuracy of the advisory fee calculation. Please advise us, in writing, if you have not been receiving quarterly statements directly from your account custodian. Renaissance does not maintain any investment monitoring or performance responsibility for unmanaged or unsupervised assets and/or accounts. The client and/or their other investment professionals retain exclusive responsibility for the monitoring and performance of such assets and/or accounts. A copy of our current written disclosure statement discussing our advisory services and fees is available upon request.

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Joe G. Bruening, CFA

Client Services



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City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

Ticker	Security Description	Shares/Face	Unit Cost	Total Cost	Price	Market Value	% of Total Assets
DEVELOPED							
Canada							
CNI	Canadian National Railway	779	53.93	\$42,014	81.75	\$63,683	2.0%
MGA	Magna International	1,053	49.01	\$51,604	58.13	\$61,211	2.0%
MFC	Manulife Financial	2,848	19.50	\$55,546	17.97	\$51,179	1.6%
TSG	Stars Group	1,666	36.66	\$61,067	36.30	\$60,476	1.9%
TECK	Teck Resources	2,133	23.83	\$50,838	25.45	\$54,285	1.7%
TOTAL Canada				\$261,069		\$290,833	9.3%
Denmark							
PANDY	Pandora	2,431	21.62	\$52,557	17.47	\$42,457	1.4%
TOTAL Denmark				\$52,557		\$42,457	1.4%
Finland							
SEOAY	Stora Enso OYJ	3,275	18.61	\$60,950	19.57	\$64,085	2.1%
TOTAL Finland				\$60,950		\$64,085	2.1%
France							
ARKAY	Arkema	489	89.78	\$43,903	118.39	\$57,893	1.9%
AXAHY	AXA	1,876	30.90	\$57,976	24.36	\$45,690	1.5%
CGEMY	Capgemini	2,140	12.93	\$27,661	26.90	\$57,568	1.9%
RNLSY	Renault	2,863	19.85	\$56,824	17.01	\$48,691	1.6%
SAFRY	Safran	1,961	28.66	\$56,209	30.37	\$59,558	1.9%
SNY	Sanofi	1,412	47.51	\$67,091	40.01	\$56,494	1.8%
SBGSY	Schneider Electric	3,411	16.37	\$55,834	16.68	\$56,885	1.8%
SCRYY	SCOR	13,910	3.72	\$51,762	3.72	\$51,676	1.7%
VLECY	Valeo	1,568	15.39	\$24,130	27.33	\$42,858	1.4%
TOTAL France				\$441,390		\$477,313	15.3%
Germany							
AZSEY	Allianz	2,513	13.68	\$34,385	20.48	\$51,466	1.7%
IFNNY	Infineon Technologies	2,255	16.36	\$36,890	25.49	\$57,475	1.8%
TOTAL Germany				\$71,274		\$108,942	3.5%
Ireland							
CRH	CRH	1,697	35.79	\$60,738	35.35	\$59,989	1.9%
ICLR	ICON	417	71.58	\$29,849	132.53	\$55,265	1.8%
JAZZ	Jazz Pharmaceuticals	420	149.99	\$62,996	172.30	\$72,366	2.3%
RYAAY	Ryanair	526	77.17	\$40,590	114.23	\$60,085	1.9%
TOTAL Ireland				\$194,173		\$247,705	8.0%
Israel							
CHKP	Check Point Software Technologies	605	55.49	\$33,569	97.68	\$59,096	1.9%
TOTAL Israel				\$33,569		\$59,096	1.9%
Japan							
BRDCY	Bridgestone	2,532	19.21	\$48,642	19.56	\$49,523	1.6%
KDDIY	KDDI	5,074	11.31	\$57,364	13.68	\$69,422	2.2%
MIELY	Mitsubishi Electric	1,627	27.69	\$45,046	26.62	\$43,317	1.4%
NTTY	Nippon Telephone & Telegraph	1,343	33.28	\$44,692	45.47	\$61,061	2.0%
IX	Orix	659	82.88	\$54,618	79.01	\$52,068	1.7%
SVNDY	Seven & i Holdings	2,710	21.96	\$59,500	21.81	\$59,097	1.9%
SMCAY	SMC Corp.	2,522	13.06	\$32,941	18.34	\$46,256	1.5%
SNE	Sony	1,210	50.90	\$61,585	51.26	\$62,025	2.0%
TRYIY	Toray Industries	3,130	18.12	\$56,709	15.78	\$49,395	1.6%
TOTAL Japan				\$461,098		\$492,164	15.8%
Netherlands							
AER	AerCap Holdings	1,163	26.56	\$30,892	54.15	\$62,976	2.0%
NXPI	NXP Semiconductors	523	109.51	\$57,275	109.27	\$57,148	1.8%
TOTAL Netherlands				\$88,167		\$120,125	3.9%

Portfolio Holdings as of 6/30/2018

City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

<u>Ticker</u>	<u>Security Description</u>	<u>Shares/Face</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>% of Total Assets</u>
Singapore							
DBSDY	DBS Group	688	58.79	\$40,445	78.06	\$53,708	1.7%
UOVEY	United Overseas Bank	1,469	42.25	\$62,063	39.25	\$57,661	1.9%
TOTAL Singapore				\$102,508		\$111,369	3.6%
Spain							
ACSAY	ACS	7,443.08	7.77	\$57,833	8.10	\$60,311	1.9%
TOTAL Spain				\$57,833		\$60,311	1.9%
United Kingdom							
CUK	Carnival plc	900	59.70	\$53,728	57.65	\$51,885	1.7%
FERGD	Ferguson	7,645	8.26	\$63,121	8.15	\$62,307	2.0%
PSMMY	Persimmon	848	56.24	\$47,695	66.88	\$56,718	1.8%
RDSB	Royal Dutch Shell	773	71.13	\$54,982	72.65	\$56,158	1.8%
TOTAL United Kingdom				\$219,528		\$227,068	7.3%
TOTAL DEVELOPED				\$2,044,115		\$2,301,468	74.0%
EMERGING							
China							
BIDU	Baidu	246	244.02	\$60,028	243.00	\$59,778	1.9%
CICHY	China Construction Bank	2,859	22.89	\$65,447	18.48	\$52,840	1.7%
CEA	China Eastern Airlines	1,429	31.45	\$44,941	34.15	\$48,800	1.6%
CEO	CNOOC	398	132.79	\$52,849	171.24	\$68,154	2.2%
SHI	Sinopec Shanghai Petrochemical	1,014	62.29	\$63,157	59.98	\$60,820	2.0%
YY	YY Inc.	516	116.21	\$59,966	100.47	\$51,843	1.7%
TOTAL China				\$346,389		\$342,234	11.0%
Hong Kong							
WHGLY	WH Group	2,804	13.49	\$37,814	16.29	\$45,677	1.5%
TOTAL Hong Kong				\$37,814		\$45,677	1.5%
Mexico							
BSMX	Banco Santander Mexico	8,138	8.07	\$65,673	6.69	\$54,443	1.7%
TOTAL Mexico				\$65,673		\$54,443	1.7%
Peru							
BAP	Credicorp	259	221.81	\$57,450	225.12	\$58,306	1.9%
TOTAL Peru				\$57,450		\$58,306	1.9%
Russia							
LUKOY	Lukoil	920	60.43	\$55,597	68.93	\$63,416	2.0%
TOTAL Russia				\$55,597		\$63,416	2.0%
South Korea							
SKM	SK Telecom	2,174	19.95	\$43,366	23.32	\$50,698	1.6%
TOTAL South Korea				\$43,366		\$50,698	1.6%
Taiwan							
ASX	ASE Technology Holding	10,910	4.56	\$49,723	4.60	\$50,186	1.6%
TSM	Taiwan Semiconductor Manufacturing	1,416	14.37	\$20,347	36.56	\$51,769	1.7%
TOTAL Taiwan				\$70,070		\$101,955	3.3%
Thailand							
KPCPY	Kasikornbank	2,167	28.14	\$60,987	24.15	\$52,327	1.7%
TOTAL Thailand				\$60,987		\$52,327	1.7%
TOTAL EMERGING				\$737,346		\$769,055	24.7%
TOTAL EQUITIES				\$2,781,461		\$3,070,524	98.7%
Total Cash				\$40,716		\$40,716	1.3%

Portfolio Holdings as of 6/30/2018

City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

<u>Ticker</u>	<u>Security Description</u>	<u>Shares/Face</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>% of Total Assets</u>
	Total Portfolio			\$2,822,177		\$3,111,240	100.0%
	Accrued Income					\$14,695	
	Total Portfolio plus Accrued Income					\$3,125,935	

City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

Broker	Shares	Value	Cents Per Share	Commission Recapture	Directed	Execution Only	Minority	Research	Soft Dollar	Total Commission
Cowen & Company	27,910	446,058	3.29	599.80	0.00	318.28	0.00	0.00	0.00	918.08
Liquidnet	259	57,450	1.50	0.00	0.00	3.89	0.00	0.00	0.00	3.89
NatAlliance Securities	3,447	164,636	1.50	0.00	0.00	51.71	0.00	0.00	0.00	51.71
TOTALS	31,616	668,143	3.08	599.80	0.00	373.88	0.00	0.00	0.00	973.68

City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

<u>Ticker</u>	<u>Security Description</u>	<u>ESG Combined Score</u> ⁽¹⁾	<u>GICS Industry Percentile</u> ⁽²⁾
ACSAY	ACS	32.85	15.00
AER	AerCap Holdings	39.72	25.00
ARKAY	Arkema	44.60	32.00
ASX	ASE Technology Holding	N/A	N/A
AXAHY	AXA	86.81	97.00
AZSEY	Allianz	47.67	31.00
BAP	Credicorp	38.49	21.00
BIDU	Baidu	27.44	38.00
BRDCY	Bridgestone	71.63	86.00
BSMX	Banco Santander Mexico	37.80	16.00
CEA	China Eastern Airlines	N/A	N/A
CEO	CNOOC	36.75	15.00
CGEMY	Capgemini	75.82	91.00
CHKP	Check Point Software Technologies	31.83	20.00
CICHY	China Construction Bank	39.69	25.00
CNI	Canadian National Railway	48.15	50.00
CRH	CRH	54.64	44.00
CUK	Carnival plc	80.52	93.00
DBSDY	DBS Group	78.04	93.00
FERGD	Ferguson	67.81	92.00
ICLR	ICON	N/A	N/A
IFNNY	Infineon Technologies	36.69	17.00
IX	Orix	70.13	80.00
JAZZ	Jazz Pharmaceuticals	32.32	12.00
KDDIY	KDDI	53.98	60.00
KPCPY	Kasikornbank	65.82	70.00
LUKOY	Lukoil	37.22	19.00
MFC	Manulife Financial	70.21	65.00
MGA	Magna International	55.70	58.00
MIELY	Mitsubishi Electric	52.32	31.00
NTTTY	Nippon Telephone & Telegraph	66.82	94.00
NXPI	NXP Semiconductors	38.21	23.00
PANDY	Pandora	37.87	19.00
PSMMY	Persimmon	37.25	28.00
RDSB	Royal Dutch Shell	N/A	N/A
RNLSY	Renault	42.64	75.00
RYAAY	Ryanair	29.55	15.00
SAFRY	Safran	27.57	17.00
SBGSY	Schneider Electric	39.44	16.00
SCRYY	SCOR	86.99	99.00
SEOAY	Stora Enso OYJ	82.76	86.00
SHI	Sinopec Shanghai Petrochemical	29.17	7.00
SKM	SK Telecom	55.10	65.00
SMCAY	SMC Corp.	40.18	29.00
SNE	Sony	47.56	67.00
SNY	Sanofi	43.45	43.00
SVNDY	Seven & i Holdings	52.02	69.00
TECK	Teck Resources	42.82	44.00
TRYIY	Toray Industries	33.90	18.00

⁽¹⁾ The Thomson Reuters ESG Combined score is the ESG Score discounted for significant ESG controversies impacting the company. The ESG Score is the overall company score based on the reported information in environmental, social, and corporate governance pillars. The ESG Controversies Score measures a company's exposure to environmental, social, and governance controversies and negative events reflected in global media.

⁽²⁾ The percentile rank of the company's ESG score in ascending order when compared to the iShares ACWI ex USA Index ETF, according to the company's GICS industry code classification.

Corporate Governance Rankings as of 6/30/2018

City of Ormond Beach General Employees Pension - International Equity ADR Portfolio

<u>Ticker</u>	<u>Security Description</u>	<u>ESG Combined Score</u> ⁽¹⁾	<u>GICS Industry Percentile</u> ⁽²⁾
VLEEY	Valeo	49.99	43.00
WHGLY	WH Group	31.98	28.00
YY	YY Inc.	21.98	13.00

⁽¹⁾ The Thomson Reuters ESG Combined score is the ESG Score discounted for significant ESG controversies impacting the company. The ESG Score is the overall company score based on the reported information in environmental, social, and corporate governance pillars. The ESG Controversies Score measures a company's exposure to environmental, social, and governance controversies and negative events reflected in global media.

⁽²⁾ The percentile rank of the company's ESG score in ascending order when compared to the iShares ACWI ex USA Index ETF, according to the company's GICS industry code classification.