

CITY OF OCALA
3RD QUARTER, 2018

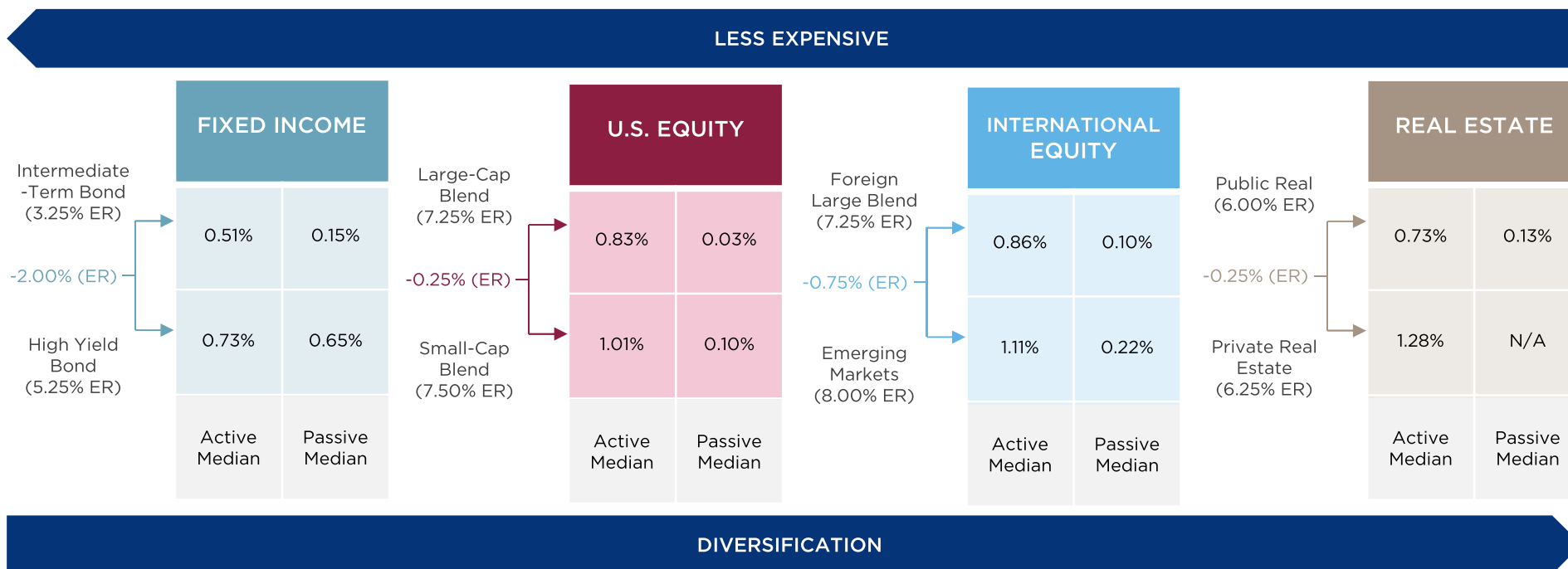
QUARTERLY REVIEW

CAPTRUST
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Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.

KNOW WHERE FEE SAVINGS ARE COMING FROM

Asset management fees have come down across the industry as investors have looked for lower expenses. This trend benefits asset owners, allowing them to capture a higher portion of their returns. However, it's important that investors make sure that cost reductions aren't coming at the expense of the investment portfolio. Manager fees vary across asset classes, and focusing solely on reducing expenses can limit the investment opportunity set, potentially sacrificing return and risk reduction opportunities.



Active median is calculated using each mutual fund's lowest cost share class. Passive median is calculated using 20 of the least expensive mutual funds' lowest cost share class.

The exhibits above compare active and passive management fees within four major asset classes and some of the sub-asset classes they contain. In each case, investors expect a net-of-fees return premium for allocating to the more expensive portion of the market. Similarly, we see how focusing on lowering expenses could lead to the reduction, or outright elimination, of diversifying asset classes such as international equity and real estate. In both situations, cutting cost may hinder portfolio performance and diversification. Additionally, passive management may not be available or appropriate in all asset classes.

Expected return source: CAPTRUST Investment Research

CAN PENSION RISK BE MANAGED WITHOUT PENSION RISK TRANSFER?

Recent improvements in funding, whether from equity market returns, increased interest rates, or contributions, provide an opportunity for more plan sponsors to purchase annuities through a pension risk transfer (PRT). Annuitization or other forms of PRT may be appropriate, but there are other solutions that may address the same problems at a lower cost to the plan sponsor. Below, we explore some common trade-offs.

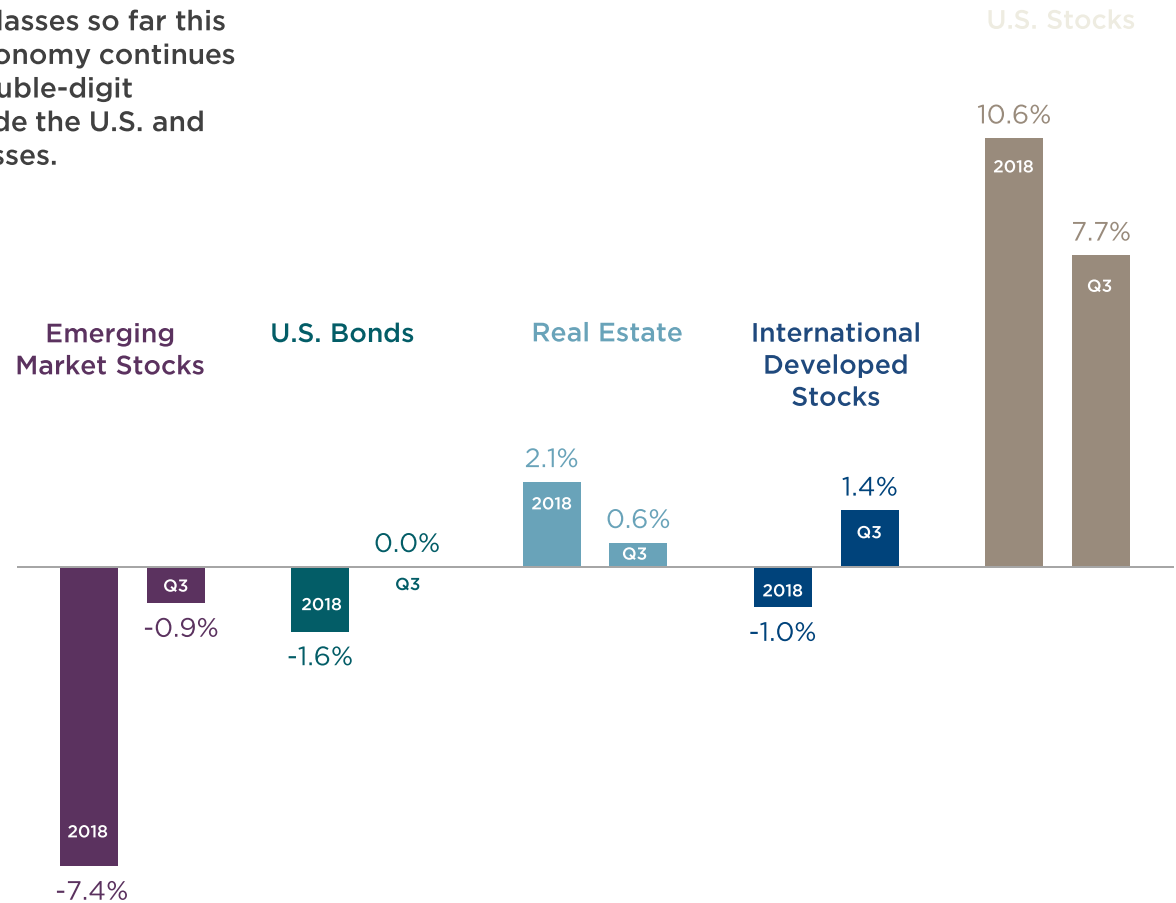
<p>POINT</p> <p>Pension risk transfer is the only way to reduce or control risk.</p>	<p>POINT</p> <p>Mortality risk is a significant risk to plan sponsors.</p>	<p>POINT</p> <p>Pension risk transfer is inexpensive relative to maintaining the liability.</p>	<p>POINT</p> <p>Now is an attractive time to annuitize.</p>
<p>COUNTERPOINT</p> <ul style="list-style-type: none"> Asset allocation alone can reduce market and interest-rate risk for sponsors. Other remaining risks include regulatory and mortality risks. 	<p>COUNTERPOINT</p> <ul style="list-style-type: none"> 2014 mortality adjustments were material, but recent Society of Actuaries table adjustments have actually reduced projected liabilities. In many cases, plans with larger populations and certain employee demographics may not pose significant risk. 	<p>COUNTERPOINT</p> <ul style="list-style-type: none"> Annuity premiums set by insurance companies using their own mortality assumptions include administrative costs and profit margins. Premiums may be higher for certain types of plans (cash balance) or portions of liability (non-retirees). 	<p>COUNTERPOINT</p> <ul style="list-style-type: none"> Not necessarily—many factors drive cost of annuitization. Examples include the number of plans in the market, insurance company capacity, and current interest rates.

Plan sponsors have unique objectives, risk tolerance, plan designs, and liabilities that influence whether or not a PRT is right for them. Plan sponsors should familiarize themselves with pension risk management strategies available. Annuity buyouts as a sole protector of funding status can be costly and may or may not be the most appropriate de-risking strategy.

U.S. STOCKS LEAD THE WAY

U.S. stocks are a standout among the major asset classes so far this year. Although it has cooled somewhat, the U.S. economy continues to grow at an elevated pace, boosting stocks to double-digit returns this year. Meanwhile, sluggish growth outside the U.S. and rising interest rates have hampered other asset classes.

- U.S. stocks added to their gains for the year, as solid corporate earnings and strong economic growth offset concerns about escalating trade tensions. In the third quarter, large-cap stocks posted their best quarterly performance in nearly five years.
- International developed stocks are slightly negative due to sluggish economic growth and trade tensions.
- Emerging market stocks continue to face pressure from a stronger U.S. dollar and economic turmoil in several countries, including Turkey and Argentina.
- Bonds treaded water in the third quarter. They have logged a small loss for the year as interest rates reached their highest levels in five years.
- Public real estate rose slightly in Q3 and remains modestly positive for the year despite pressure from higher rates.



Asset class returns are represented by the following indexes: S&P 500 Index (U.S. large-cap stocks), MSCI EAFE Index (international developed stocks), MSCI Emerging Markets Index (emerging market stocks), Bloomberg Barclays U.S. Aggregate Bond Index (U.S. bonds), and Dow Jones U.S. Real Estate Index (real estate).

DIGGING DEEPER: STOCKS AND BONDS

Equities

	Q3 2018	YTD 2018	Last 12 Months
U.S. Stocks	7.7%	10.6%	17.9%
- Best Sector: Health Care	14.5%	16.6%	18.3%
- Worst Sector: Materials	0.4%	-2.7%	4.0%
International Stocks	1.4%	-1.0%	3.2%
Emerging Market Stocks	-0.9%	-7.4%	-0.4%

Fixed Income

	9.30.18	6.30.18	9.30.17
1-Year U.S. Treasury Yield	2.59%	2.33%	1.31%
10-Year U.S. Treasury Yield	3.05%	2.85%	2.33%
	QTD 2018	YTD 2018	Last 12 Months
10-Year U.S. Treasury Total Return	-1.09%	-3.73%	-3.75%

Equities - Relative Performance by Market Capitalization and Style

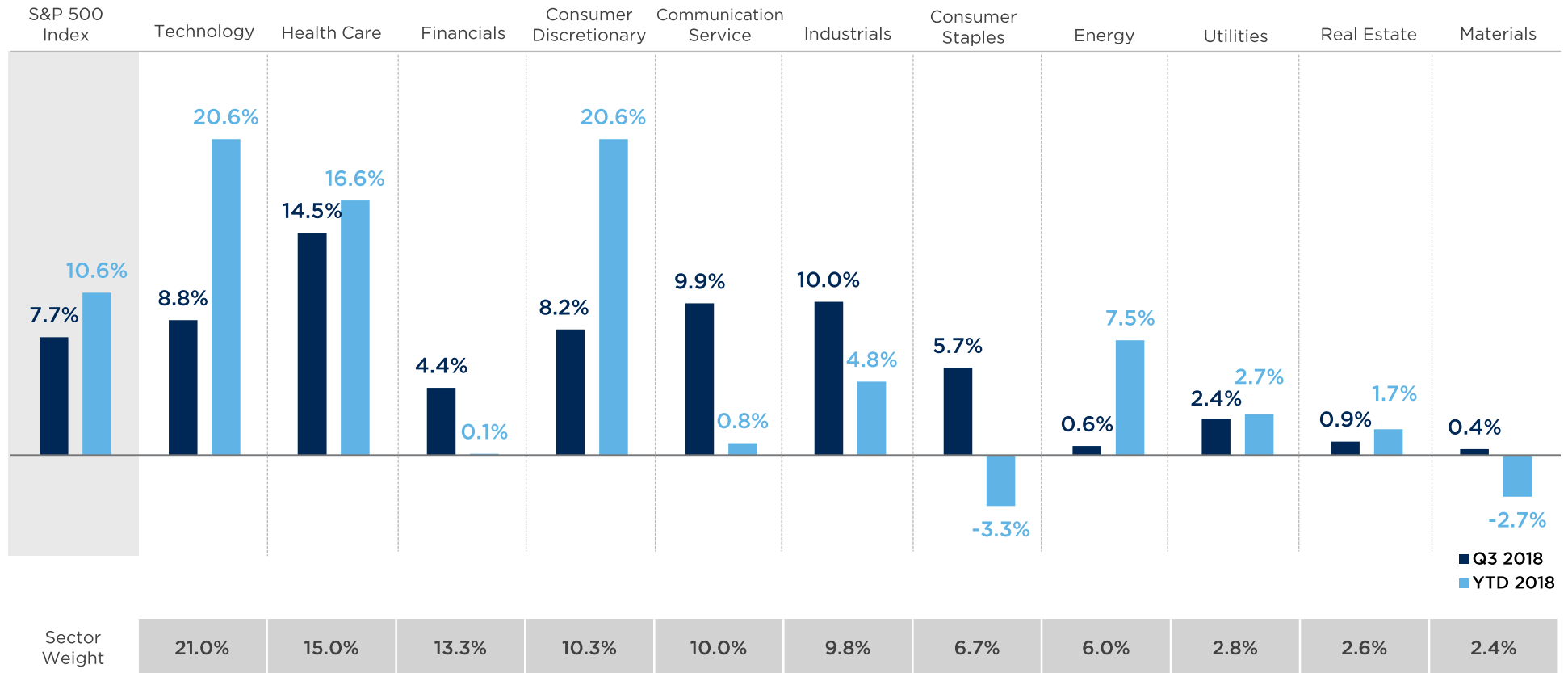
	Q3 2018			YTD 2018			2017				
	Value	Blend	Growth	Value	Blend	Growth	Value	Blend	Growth		
Large	5.7%	7.7%	9.2%	Large	3.9%	10.6%	17.1%	Large	13.7%	21.8%	30.2%
Mid	3.3%	5.0%	7.6%	Mid	3.1%	7.5%	13.4%	Mid	13.3%	18.5%	25.3%
Small	1.6%	3.6%	5.5%	Small	7.1%	11.5%	15.8%	Small	7.8%	14.6%	22.2%

Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell Pure Style Indexes except for large-cap blend, which is based upon the S&P 500 Index. Source: Bloomberg, U.S. Treasury, Barclays Live.

DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500 Index is a market capitalization weighted index of U.S. large-cap stocks across a diversity of industry sectors. The stocks represented in those 11 sectors generated a range of returns in 2018.

Returns by S&P 500 Sector



Source: Bloomberg. Data as of 9.30.2018. All calculations are cumulative total return, not annualized, including dividends for the stated period. Past performance is not indicative of future returns.

DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Month	2 Year	5 Year	10 Year	30 Year	Mortgage Rate
June 2018	1.93%	2.52%	2.73%	2.85%	2.98%	4.40%
September 2018	2.19%	2.81%	2.94%	3.05%	3.19%	4.57%
Change	0.26%	0.29%	0.21%	0.20%	0.21%	0.17%

Interest rates rose relatively evenly across the yield curve in the third quarter, buoyed by the Federal Reserve on the front and solid growth and inflation on the longer end. Mortgage rates rose roughly in line with Treasury rates for the quarter.

Bloomberg Barclays U.S. Aggregate Bond Index	Yield to Worst	Duration	Total Return	Spread	Treasury Rate	AA Spread	BBB Spread
June 2018	3.29%	6.01		0.44%	2.85%	0.62%	1.57%
September 2018	3.46%	6.03		0.39%	3.07%	0.53%	1.36%
Change	0.17%	0.02	0.02%	-0.05%	0.22%	-0.09%	-0.21%

The Bloomberg Barclays U.S. Aggregate Bond Index was flat for the quarter. The index's yield and modest spread tightening offset the negative impact from rising rates.

Bloomberg Barclays U.S. Long Credit Index	Yield to Worst	Duration	Total Return	Spread	Treasury Rate	AA Spread	BBB Spread
June 2018	4.69%	13.41		1.74%	2.95%	1.08%	2.17%
September 2018	4.68%	13.39		1.53%	3.15%	0.96%	1.89%
Change	-0.01%	-0.02	1.26%	-0.21%	0.20%	-0.12%	-0.28%

Following a weak second quarter, long credit performed well with a 1.26% return for Q3. The negative impact of rising rates was more than offset by yield and spread tightening, particularly from BBB credits.

Source: Bloomberg, Barclays Live, CAPTRUST, U.S Treasury

ECONOMIC OUTLOOK

The global economic picture typically consists of favorable attributes (tailwinds) and challenges (headwinds). Here, we provide our perspective on both and offer our view on which side has the upper hand.

TAILWINDS

The U.S. Economy Remains Strong

- The U.S. economy continues to grow at an elevated pace—although not quite as fast as the last two quarters.
- Jobs continue to be plentiful, and wage growth remains contained with few signs of overheating.



Business Confidence Bodes Well

- The NFIB Index of Small Business Optimism has reached a 45-year high. Small business owners are ebullient about business expectations, driven by changes in the tax and regulatory landscape.
- Corporate reinvestment (CapEx) and stock buybacks both continue to increase.

Rising Rates: Good for Savers

- Interest rates on savings have gone from near zero to 2% between December 2015 and September 2018.
- Savers should start to feel the benefits of rising interest rates as short-term savings rates turn into more income.

Expansionary Policies in China

- China has increased policy measures to encourage lending and expand economic growth.

HEADWINDS

Trade Talks and Tariff Tensions

- While trade tensions with Mexico and Canada are subsiding, tension with China persists.
- Tariffs on Chinese goods grab the headlines, but the estimated impact of tariffs pales in comparison to the current level of stimulus.



Midterm Maelstrom

- Uncertainty remains about the potential market impact of midterm elections, and policy making may slow down as Congress focuses on reelection.
- Polls suggest the Democrats will take control of the House and Republicans will retain the Senate. A Democratic sweep could result in drug price legislation and greater infrastructure spending, goals shared by President Trump.

Global Economic Growth Slows Down

- Major economies continue expanding, but at a slower pace.

Rising Rates: Trouble on the Horizon?

- Higher interest rates mean higher mortgage rates for many, which may dampen household income and housing demand.
- Yield curve inversion is not a reliable signal of a near-term recession or stock market selloff.

Overall, the global economic backdrop continues to be strong. At current valuations, U.S. stocks are close to their 25-year median valuations.

DOLLARS FOR BOTH BUYBACK AND CAPEX

The Tax Cuts and Jobs Act enacted late last year led many to wonder how companies would invest their windfalls from lower tax rates and repatriated cash. Would they continue their high levels of stock buybacks or would they reinvest in plant and equipment to fuel future growth? Early data suggests that companies have been able to do both.

Growth of CapEx and Share Repurchases (\$Billion)

	CASH SPENDING	H1 2017	H1 2018	Y-O-Y GROWTH
S&P 500	Repurchases	\$253.3	\$379.7	50%
	CAPEX	\$288.6	\$344.1	19%
Apple	Repurchases	\$18.0	\$33.6	87%
	CAPEX	\$5.4	\$7.3	35%
Google	Repurchases	\$5.3	\$12.8	142%
	CAPEX	\$2.7	\$4.2	56%

Source: S&P Dow Jones, Apple, Google, Cornerstone Macro

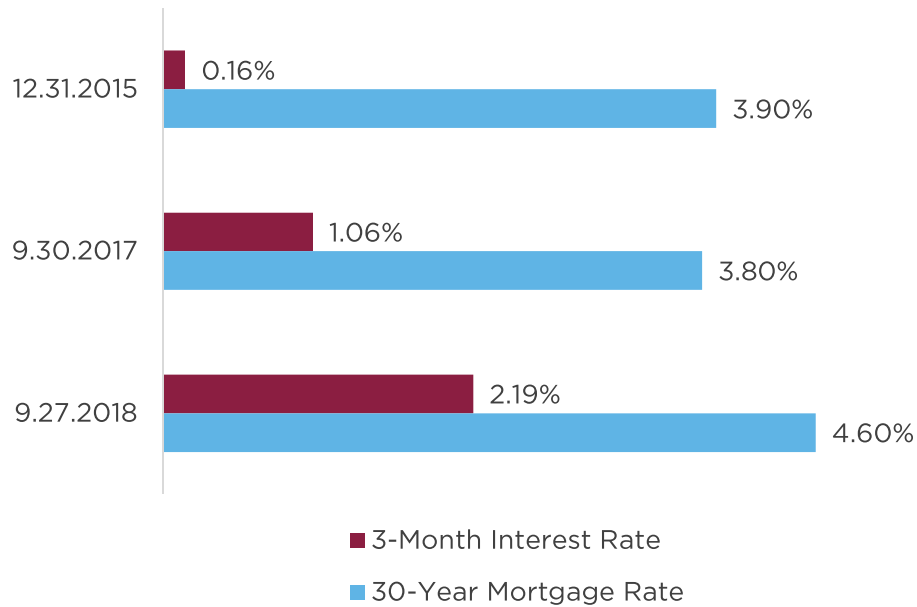
OBSERVATIONS

- S&P 1500 companies have reported a sharp acceleration in capital expenditures in the second quarter, a year-over-year increase of more than 22%.
- The S&P 1500 is a broad index of domestic stocks, representing 90% of U.S. market capitalization.
- This level of growth is the fastest pace of business investment since 2011.
- Higher capital expenditures could lead to higher wages, corporate profits, and GDP growth. Meanwhile, share repurchases support stock prices and earnings growth.

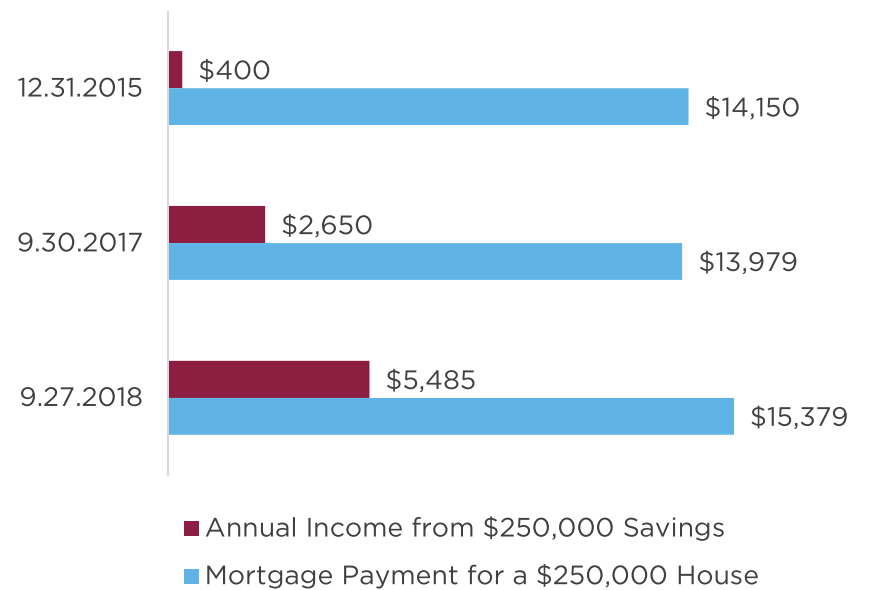
HIGHER INTEREST RATES—A MIXED BLESSING

The Federal Reserve has raised short-term rates eight times since December 2015, with an increase each time of 0.25%. Higher rates can have positive and negative effects—benefiting savers seeking income while causing mortgage and other debt payments to rise.

Rising Interest Rates



Dollar Impact of Interest Rate Increases



OBSERVATIONS

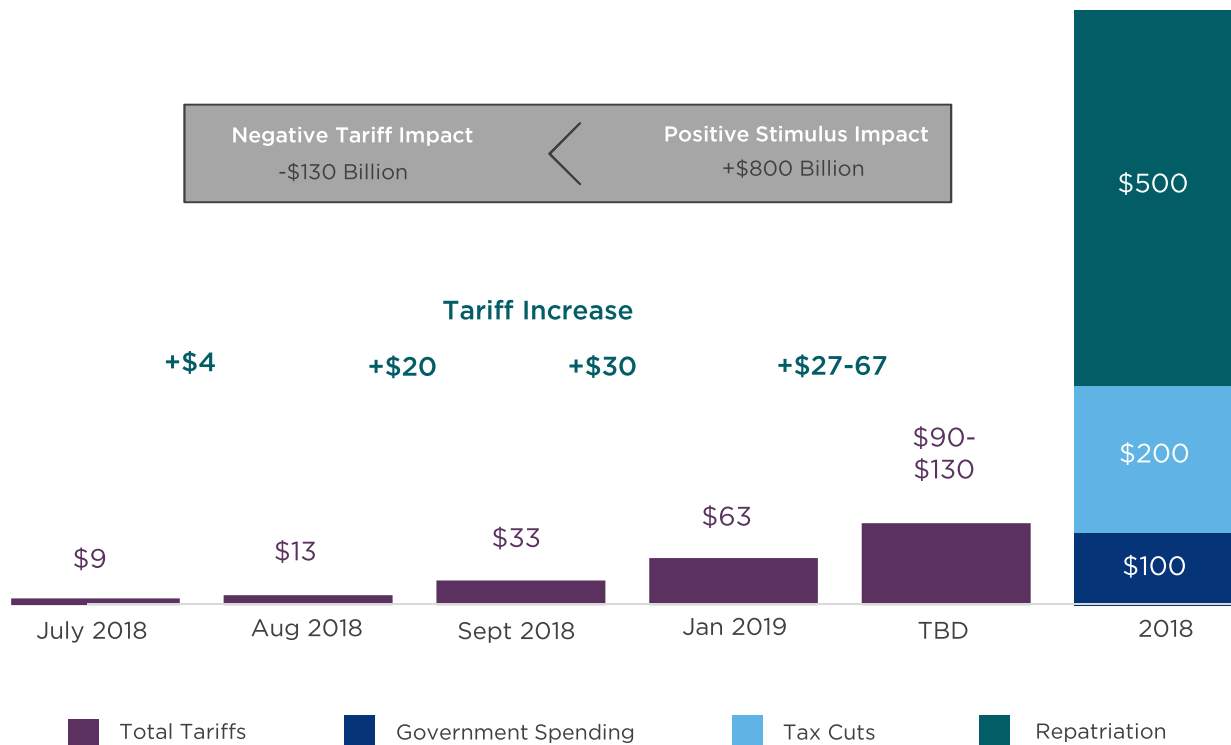
- While the interest rates on savings and borrowing have increased, mortgage rates have ticked up only slightly, while savings rates have risen more dramatically.
- A saver with \$250,000 would earn \$5,085 more in interest income each year, while a homeowner with a \$250,000 mortgage would see his or her annual payment rise by \$1,229.

Source: Bloomberg, Treasury.gov

FISCAL STIMULUS TRUMPS TARIFF TALK

The estimated impact of tariffs enacted so far is \$33 billion, and this amount could reach \$63 billion by the start of 2019 (based upon tariffs announced but not yet enacted). The total number could grow further, depending upon the actions (and reactions) of the U.S. and China. While these seem like big numbers that could potentially hamper the U.S. economy, the total tariff number is dwarfed by the total amount of stimulus generated by tax cuts, increased spending, and repatriations.

Timeline for Tariffs Announced
by U.S. Government on Chinese Goods (\$Billion)



OBSERVATIONS

- An estimated tariff impact of \$90-\$130 billion would represent approximately 0.6% of U.S. gross domestic product. This amount is lamentable but manageable, and we still expect economic growth.
- The previous estimate of \$500 billion of stimulus from repatriation could prove to be conservative. Preliminary data shows a potential for as much as \$700 billion in repatriations.
- This could bring the combined stimulus from tax cuts, increased spending, and repatriations to a total of approximately \$1 trillion.

Source: whitehouse.gov, Cornerstone Macro, Strategas

YIELD CURVE: AN INVERSION IS NOT AN OMEN

An *inverted yield curve* happens when short-term interest rates exceed longer-term interest rates. Many market watchers suggest that an inverted yield curve signals a coming recession. Although inverted yield curves have preceded every recession over the past six decades, they don't cause recessions or market selloffs. In fact, positive stock market returns can persist for some time after an inversion occurs. Here, we show the last five inversions and subsequent stock market returns.

Inversion Date	S&P 500 INDEX TOTAL RETURN				INFLATION
	3 Months Later	6 Months Later	12 Months Later	18 Months Later	Consumer Price Index (CPI)
9.30.78	-6.3%	-0.9%	6.6%	-0.4%	8%
9.30.80	8.2%	8.4%	-7.4%	-10.8%	13%
1.31.89	4.1%	16.3%	10.6%	19.7%	4%
2.28.00	5.4%	12.6%	-8.0%	-15.9%	3%
2.28.06	-0.8%	1.8%	9.9%	15.1%	4%

OBSERVATIONS

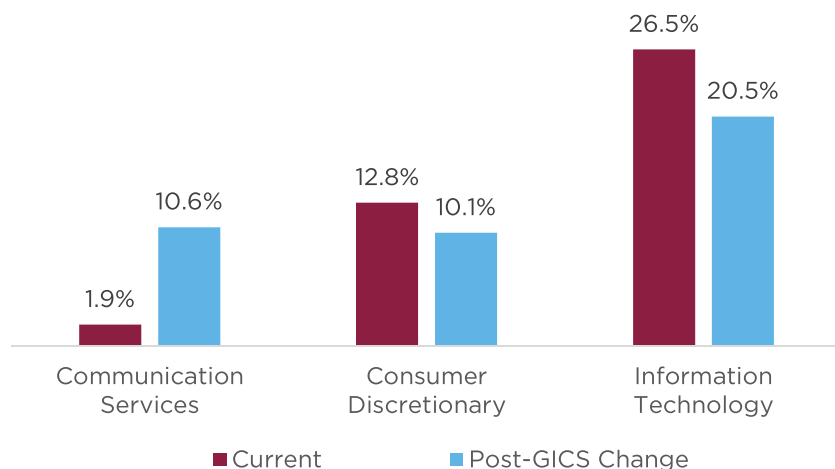
- Looking at data from the past five yield curve inversions tells us that stock market returns as measured by the S&P 500 Index were mostly positive three to six months later.
- In the intermediate term—12 to 18 months later—and especially in normal inflation environments, stocks can continue to perform well.

Source: Strategas, Federal Reserve

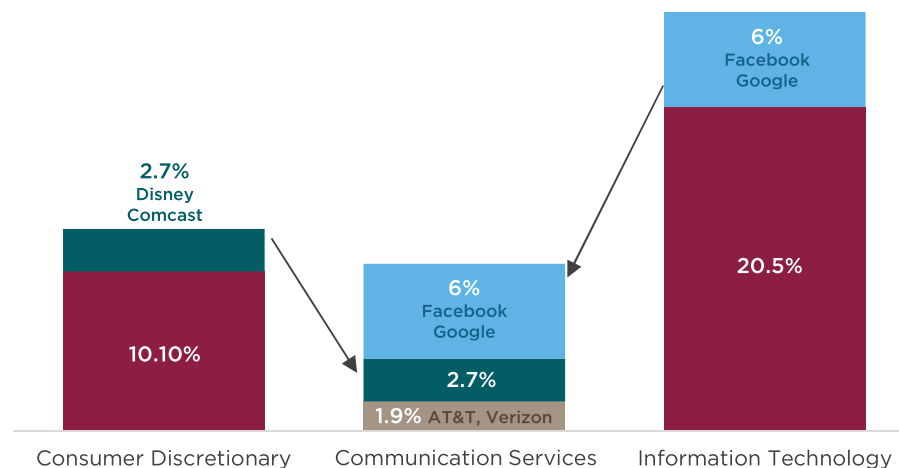
MSCI GICS SECTORS CHANGES

On September 28, the widely used MSCI Global Industry Classification Standard (GICS) system made several significant changes to its sector composition, causing impacts to prominent stock market indexes and funds that track them. The telecommunications services sector was renamed the communication services sector. This sector will include some companies previously assigned to the consumer discretionary and information technology sectors.

S&P 500 Sector Weights Before and After GICS Change



Key Changes of GICS Sector Composition



OBSERVATIONS










- The September GICS changes increase the weight of the communication services sector within the S&P 500 and reduce the weight of the technology and consumer discretionary sectors.
- The expanded communication services sector will include more growth-oriented companies, including several of the so-called FANG stocks, in addition to more value-leaning companies previously included.

ASSET CLASS RETURNS

Period Ending 9.30.18 | Q3 18

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD 2018
International Equities 14.02%	International Equities 26.86%	Large-Cap Growth 11.81%	Fixed Income 5.08%	Mid-Cap Growth 46.29%	Small-Cap Growth 29.09%	Fixed Income 7.84%	Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Large-Cap Growth 17.09%
Mid-Cap Value 12.65%	Small-Cap Value 23.48%	International Equities 11.63%	Cash 1.51%	Large-Cap Growth 37.21%	Mid-Cap Growth 26.38%	Large-Cap Growth 2.64%	Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	International Equities 25.62%	Small-Cap Growth 15.76%
Mid-Cap Growth 12.10%	Large-Cap Value 22.25%	Mid-Cap Growth 11.43%	Small-Cap Value -28.92%	Small-Cap Growth 34.47%	Mid-Cap Value 24.75%	Large-Cap Value 0.39%	International Equities 17.90%	Small-Cap Value 34.52%	Large-Cap Growth 13.05%	Cash 0.05%	Large-Cap Value 17.34%	Mid-Cap Growth 25.27%	Mid-Cap Growth 13.38%
Large-Cap Value 7.05%	Mid-Cap Value 20.22%	Fixed Income 7.39%	Large-Cap Value -36.85%	Mid-Cap Value 34.21%	Small-Cap Value 24.50%	Cash 0.10%	Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Small-Cap Value 7.14%
Large-Cap Growth 5.26%	Small-Cap Growth 13.35%	Small-Cap Growth 7.05%	Mid-Cap Value -38.44%	International Equities 32.46%	Large-Cap Growth 16.71%	Mid-Cap Value -1.38%	Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.39%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value 3.92%
Small-Cap Value 4.71%	Mid-Cap Growth 10.66%	Cash 4.71%	Large-Cap Growth -38.44%	Small-Cap Value 20.58%	Large-Cap Value 15.51%	Mid-Cap Growth -1.65%	Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Mid-Cap Value 3.13%
Small-Cap Growth 4.15%	Large-Cap Growth 9.07%	Large-Cap Value -0.17%	Small-Cap Growth -38.54%	Large-Cap Value 19.69%	International Equities 8.21%	Small-Cap Growth -2.91%	Small-Cap Growth 14.59%	International Equities 23.29%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Cash 1.30%
Cash 3.35%	Cash 5.08%	Mid-Cap Value -1.42%	International Equities -43.06%	Fixed Income 5.24%	Fixed Income 5.89%	Small-Cap Value -5.50%	Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.51%	Fixed Income 3.54%	International Equities -0.98%
Fixed Income 1.58%	Fixed Income 4.08%	Small-Cap Value -9.78%	Mid-Cap Growth -44.32%	Cash 0.21%	Cash 0.13%	International Equities -11.73%	Cash 0.11%	Fixed Income -2.02%	International Equities -4.48%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	Fixed Income -1.60%

Source: Markov Processes, Inc., Bloomberg, Mobius

 Small-Cap Value Stocks (Russell 2000 Value)	 Large-Cap Value Stocks (Russell 1000 Value)	 International Equities (MSCI EAFE)
 Small-Cap Growth Stocks (Russell 2000 Growth)	 Mid-Cap Growth Stocks (Russell Mid-Cap Growth Index)	 Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index)
 Large-Cap Growth Stocks (Russell 1000 Growth)	 Mid-Cap Value Stocks (Russell Mid-Cap Value Index)	 Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but not warranted by CAPTRUST Financial Advisors to be accurate or complete.

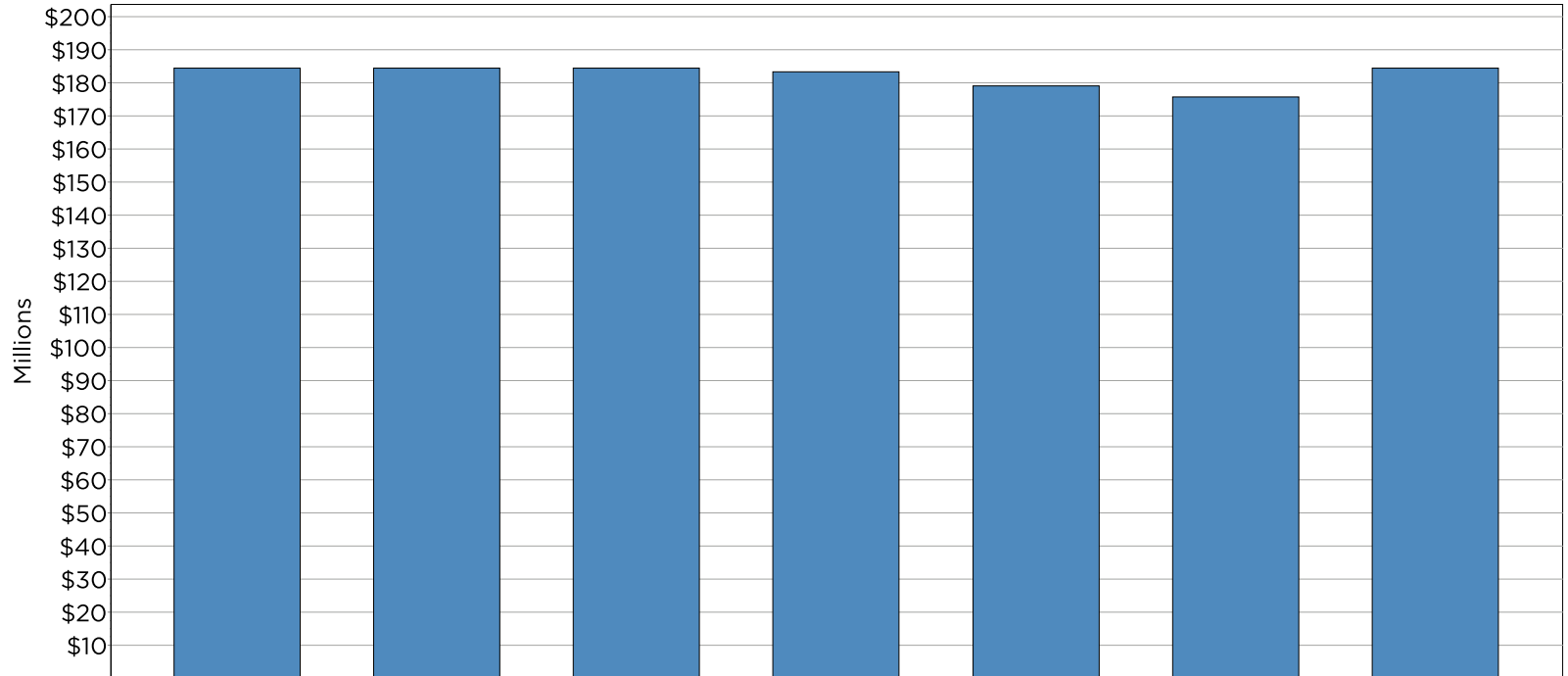
INDEX PERFORMANCE

Period Ending 9.30.18 | Q3 18

INDEXES	Q3 2018	YTD 2018	2017	2016	2015	2014	2013	1 YEAR	3 YEAR	5 YEAR	10 YEAR
90-Day U.S. Treasury	0.49%	1.30%	0.86%	0.33%	0.05%	0.03%	0.07%	1.59%	0.84%	0.52%	0.34%
Bloomberg Barclays Government 1-3 Year	0.20%	0.26%	0.45%	0.87%	0.57%	0.64%	0.37%	-0.01%	0.38%	0.57%	1.20%
Bloomberg Barclays Intermediate Govt	-0.11%	-0.78%	1.14%	1.05%	1.18%	2.52%	-1.25%	-1.18%	0.19%	0.93%	2.22%
Bloomberg Barclays Muni Bond	-0.15%	-0.40%	5.45%	0.25%	3.30%	9.05%	-2.55%	0.35%	2.24%	3.54%	4.75%
Bloomberg Barclays Intermediate Govt/Credit	0.21%	-0.76%	2.14%	2.08%	1.07%	3.13%	-0.86%	-0.96%	0.91%	1.52%	3.22%
Bloomberg Barclays Intermediate Credit	0.73%	-0.73%	3.67%	3.68%	0.90%	4.16%	-0.17%	-0.62%	2.03%	2.46%	5.05%
Bloomberg Barclays Aggregate Bond	0.02%	-1.60%	3.54%	2.65%	0.55%	5.97%	-2.02%	-1.22%	1.31%	2.16%	3.77%
Bloomberg Barclays Corporate IG Bond	0.97%	-2.33%	6.42%	6.11%	-0.68%	7.46%	-1.53%	-1.19%	3.12%	3.54%	6.35%
Bloomberg Barclays High Yield	2.40%	2.57%	7.50%	17.13%	-4.47%	2.45%	7.44%	3.05%	8.15%	5.54%	9.46%
Bloomberg Barclays U.S. Long Corporate	1.32%	-5.54%	12.09%	10.97%	-4.61%	15.73%	-5.68%	-2.38%	5.18%	5.74%	8.69%
S&P 500	7.71%	10.56%	21.83%	11.96%	1.38%	13.69%	32.39%	17.91%	17.31%	13.95%	11.97%
Dow Jones Industrial Average	9.63%	8.83%	28.11%	16.50%	0.21%	10.04%	29.65%	20.76%	20.49%	14.57%	12.22%
NASDAQ Composite	7.14%	16.56%	28.24%	7.50%	5.73%	13.40%	38.32%	23.87%	20.31%	16.36%	14.42%
Russell 1000 Value	5.70%	3.92%	13.66%	17.34%	-3.83%	13.45%	32.53%	9.45%	13.55%	10.72%	9.79%
Russell 1000	7.42%	10.49%	21.69%	12.05%	0.92%	13.24%	33.11%	17.76%	17.07%	13.67%	12.09%
Russell 1000 Growth	9.17%	17.09%	30.21%	7.08%	5.67%	13.05%	33.48%	26.30%	20.55%	16.58%	14.31%
Russell Mid-Cap Value Index	3.30%	3.13%	13.34%	20.00%	-4.78%	14.75%	33.46%	8.81%	13.09%	10.72%	11.29%
Russell Mid-Cap Index	5.00%	7.46%	18.52%	13.80%	-2.44%	13.22%	34.76%	13.98%	14.52%	11.65%	12.31%
Russell Mid-Cap Growth Index	7.57%	13.38%	25.27%	7.33%	-0.20%	11.90%	35.74%	21.10%	16.65%	13.00%	13.46%
MSCI EAFE	1.42%	-0.98%	25.62%	1.51%	-0.39%	-4.48%	23.29%	3.25%	9.77%	4.90%	5.87%
MSCI ACWI ex U.S.	0.80%	-2.67%	27.77%	5.01%	-5.25%	-3.44%	15.78%	2.25%	10.49%	4.60%	5.67%
Russell 2000 Value	1.60%	7.14%	7.84%	31.74%	-7.47%	4.22%	34.52%	9.33%	16.12%	9.91%	9.52%
Russell 2000	3.58%	11.51%	14.65%	21.31%	-4.41%	4.89%	38.82%	15.24%	17.12%	11.07%	11.11%
Russell 2000 Growth	5.52%	15.76%	22.17%	11.32%	-1.38%	5.60%	43.30%	21.06%	17.98%	12.14%	12.65%
MSCI Emerging Markets	-0.95%	-7.39%	37.75%	11.60%	-14.60%	-1.82%	-2.27%	-0.44%	12.77%	3.99%	5.76%
Dow Jones U.S. Real Estate Index	0.65%	2.07%	9.84%	7.56%	2.14%	27.24%	1.77%	4.69%	8.94%	9.39%	7.46%
HFRX Absolute Return Index	-0.04%	1.00%	3.39%	0.31%	2.86%	0.79%	3.58%	2.59%	2.88%	2.94%	3.05%
Consumer Price Index (Inflation)	0.06%	2.22%	2.11%	2.07%	0.73%	0.76%	1.50%	2.70%	1.95%	1.49%	1.43%
BLENDED BENCHMARKS	Q3 2018	YTD 2018	2017	2016	2015	2014	2013	1 YEAR	3 YEAR	5 YEAR	10 YEAR
25% S&P 500/5% MSCI EAFE/70% BB Agg	1.98%	1.44%	8.93%	5.00%	0.92%	7.37%	7.01%	3.60%	5.64%	5.26%	6.14%
30% S&P 500/10% MSCI EAFE/60% BB Agg	2.44%	2.08%	10.90%	5.43%	0.95%	7.21%	9.92%	4.77%	6.87%	6.00%	6.70%
35% S&P 500/15% MSCI EAFE/50% BB Agg	2.89%	2.72%	12.90%	5.85%	0.97%	7.04%	12.89%	5.95%	8.11%	6.73%	7.24%
40% S&P 500/20% MSCI EAFE/40% BB Agg	3.35%	3.36%	14.93%	6.26%	0.96%	6.87%	15.93%	7.13%	9.34%	7.46%	7.76%
45% S&P 500/25% MSCI EAFE/30% BB Agg	3.81%	3.99%	16.99%	6.65%	0.93%	6.69%	19.04%	8.31%	10.58%	8.18%	8.25%
60% S&P 500/40% Bloomberg Barclays Agg	4.59%	5.74%	14.25%	8.41%	1.40%	10.75%	17.57%	10.08%	10.85%	9.32%	9.17%

The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST Financial Advisors is an investment adviser registered under the Investment Advisers Act of 1940. Sources: Morningstar Direct, MPI

MARKET VALUES & CASH FLOW SUMMARY



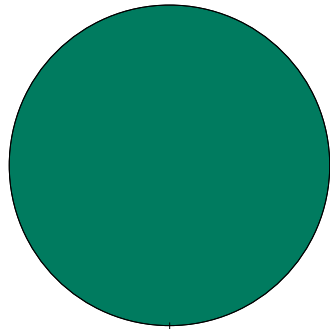
	3 Months	2018 Fiscal YTD	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Inception
Total Mkt Value Assets	\$184,375,658.85	\$184,375,658.85	\$184,502,958.88	\$183,385,215.78	\$179,081,366.26	\$175,684,553.69	\$184,375,658.85
Net Contributions	\$38,914.65	\$155,505.07	\$154,829.89	\$153,873.35	\$151,502.88	\$149,080.45	\$22,997,788.84
Net Investment Return	\$567,640.19	(\$282,805.10)	\$962,913.21	\$4,149,976.17	\$3,245,309.69	\$2,644,530.67	\$91,620,264.01

ASSET ALLOCATION SUMMARY

Period Ending 9.30.18 | Q4 18

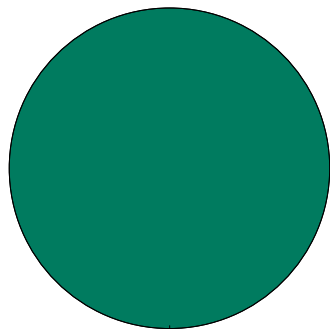
City of Ocala Treasury Investment Portfolio

ACTUAL ALLOCATION



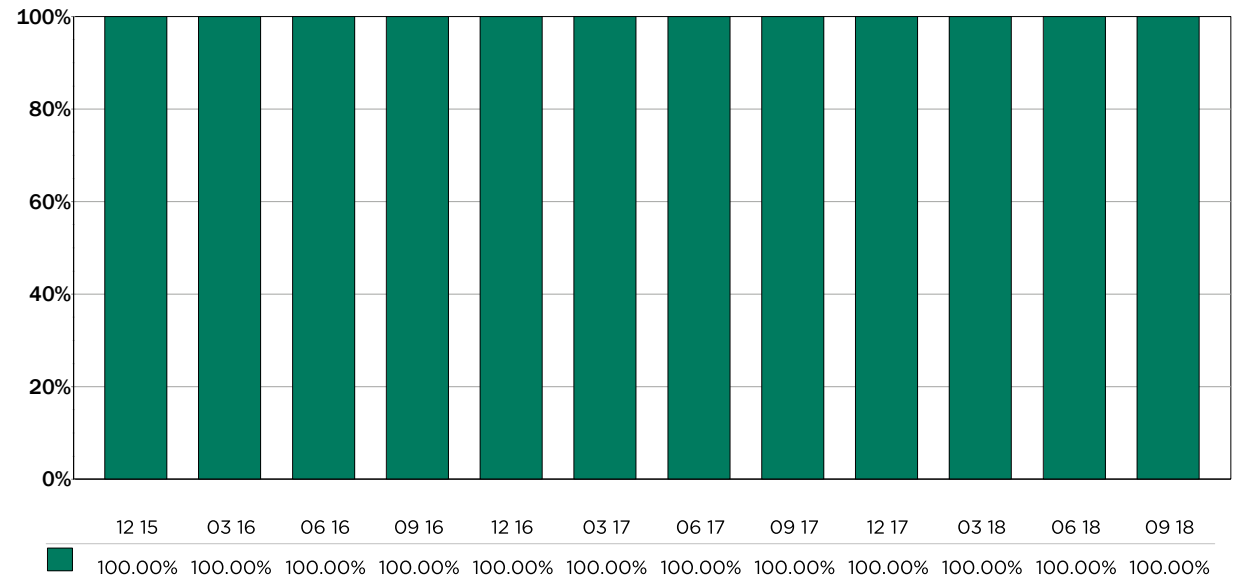
Fixed Income

TARGET ALLOCATION



Fixed Income

HISTORIC ALLOCATION TREND



ASSET REBALANCING ANALYSIS

Asset Class	Actual Allocation	Target Allocation	(+/-) Variance
Fixed Income	100.00%	100.00%	0.00%

INVESTMENT FEES

Period Ending 9.30.18 | Q4 18

City of Ocala Treasury Investment Portfolio

4Q16 INVESTMENT FEES

PFM Group	\$	10,983
Sawgrass Asset Management	\$	15,582
SEIX Investment Advisors	\$	11,915
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$ 44,105

1Q17 INVESTMENT FEES

PFM Group	\$	11,059
Sawgrass Asset Management	\$	15,637
SEIX Investment Advisors	\$	11,980
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$ 44,302

2Q17 INVESTMENT FEES

PFM Group	\$	11,098
Sawgrass Asset Management	\$	15,679
SEIX Investment Advisors	\$	12,075
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$ 44,477

3Q17 INVESTMENT FEES

PFM Group	\$	11,136
Sawgrass Asset Management	\$	15,534
SEIX Investment Advisors	\$	12,151
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$44,446

4Q17 INVESTMENT FEES

PFM Group	\$	11,124
Sawgrass Asset Management	\$	15,704
SEIX Investment Advisors	\$	12,131
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$ 44,583

1Q18 INVESTMENT FEES

PFM Group	\$	11,102
Sawgrass Asset Management	\$	15,671
SEIX Investment Advisors	\$	12,007
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$44,405

2Q18 INVESTMENT FEES

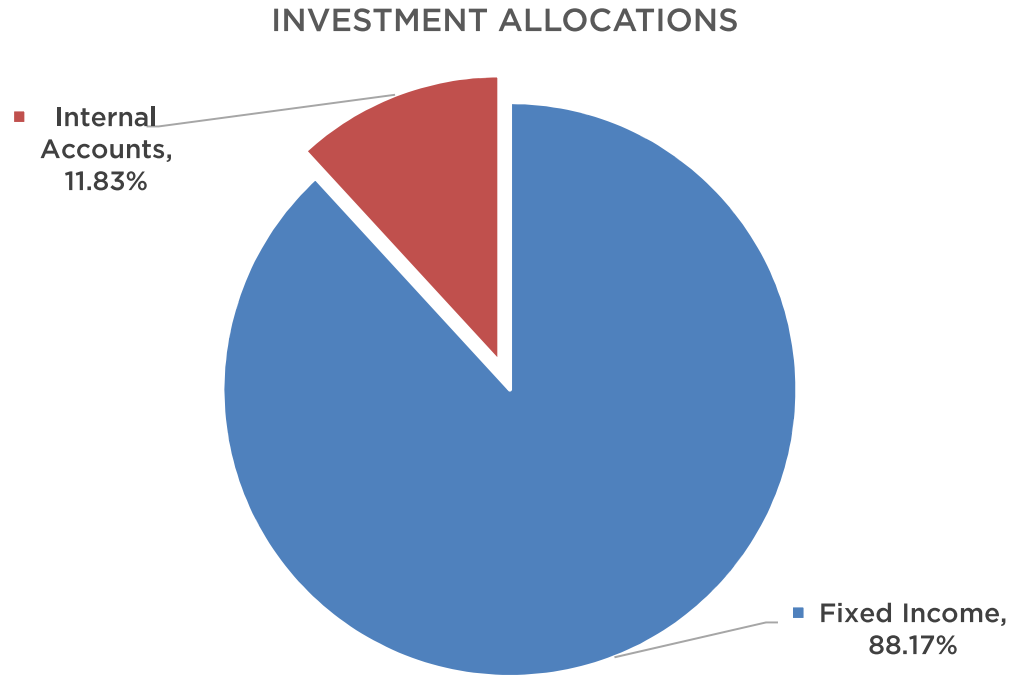
PFM Group	\$	11,143
Sawgrass Asset Management	\$	15,695
SEIX Investment Advisors	\$	12,015
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$ 44,478

3Q18 INVESTMENT FEES

PFM Group	\$	11,154
Sawgrass Asset Management	\$	15,738
SEIX Investment Advisors	\$	12,022
CAPTRUST Advisors	\$	5,625

TOTAL FEES \$44,540



INVESTMENT	MARKET VALUE	ACTUAL (%)
Fixed Income	\$ 184,375,659	88.17%
PFM Group	\$ 52,202,181	24.96%
Sawgrass Asset Management	\$ 76,255,264	36.47%
SEIX Investment Advisors	\$ 55,918,214	26.74%
Internal Accounts	\$ 24,732,333	11.83%
Florida Prime	\$ 63,033	0.03%
Florida Fixed Income Trust	\$ 114,243	0.05%
SunTrust Checking Account	\$ 24,555,057	11.74%
TOTAL	\$ 209,107,992	100%

ASSET ALLOCATION DETAIL

Period Ending 9.30.18 | Q4 18

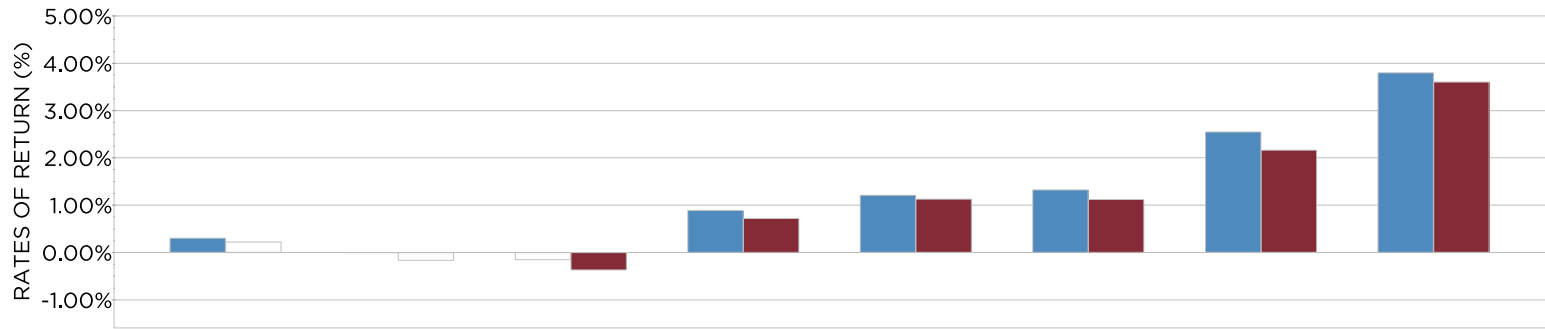
City of Ocala Treasury Investment Portfolio

MANAGER NAME	- MARKET VALUE -			TOTAL	TARGET	ACTUAL	VARIANCE
	CASH	INVESTED	% CASH				
PFM Group	473,422.83	51,728,758.54	0.91 %	52,202,181.37		28.31 %	
Sawgrass Asset Management	1,187,243.42	75,068,020.14	1.56 %	76,255,263.56		41.36 %	
SEIX Investment Advisors	1,282,195.59	54,636,018.33	2.29 %	55,918,213.92		30.33 %	
TOTAL FIXED INCOME	2,942,861.84	181,432,797.01	1.60 %	184,375,658.85	100.00 %	100.00 %	0.00 %
TOTAL PORTFOLIO	2,942,861.84	181,432,797.01	1.60 %	184,375,658.85	100.00 %	100.00 %	0.00 %

Information and statistics have been provided by the custodian and are not guaranteed to be accurate or complete. This is not a substitute for the official custodial account statement; please refer to the custodial statement for verification.

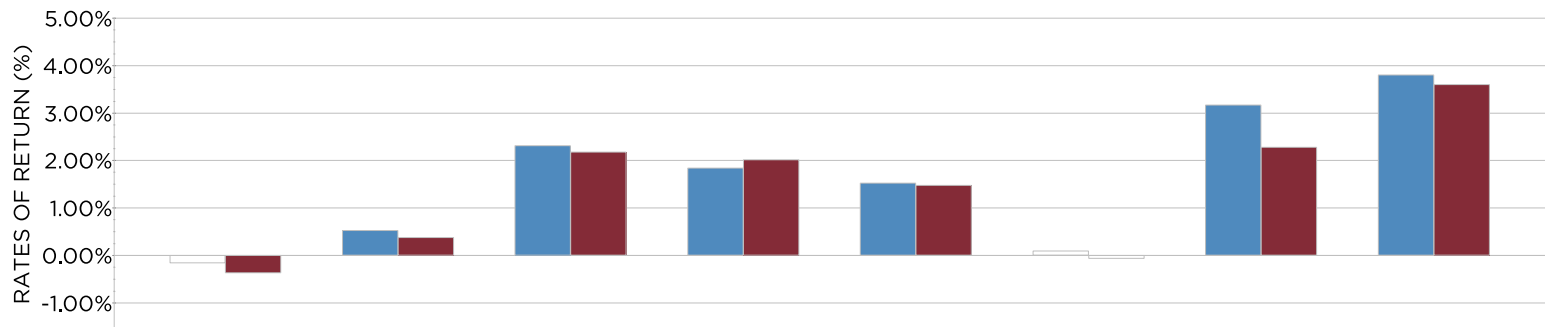
City of Ocala Treasury Investment Portfolio

TOTAL PORTFOLIO TRAILING PERFORMANCE



	3 Months	2018 YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception
Total Portfolio	0.31%	0.00%	-0.15%	0.89%	1.21%	1.33%	2.55%	3.80%
Total Portfolio Benchmark	0.22%	-0.17%	-0.37%	0.72%	1.13%	1.12%	2.17%	3.60%

TOTAL PORTFOLIO FISCAL YEAR PERFORMANCE



	2018 Fiscal YTD	2017	2016	2015	2014	2013	2012	Inception
Total Portfolio	-0.15%	0.52%	2.32%	1.85%	1.53%	0.10%	3.17%	3.80%
Total Portfolio Benchmark	-0.37%	0.38%	2.18%	2.03%	1.48%	-0.06%	2.28%	3.60%

Fiscal Year Ending September

Performance returns over one-year are annualized. For important details regarding benchmarks, please refer the slides entitled "Total Fund Policy Benchmark Summary" in this presentation.

INVESTMENT RETURNS | FISCAL YEAR MANAGER RESULTS

Period Ending 9.30.18 | Q4 18

City of Ocala Treasury Investment Portfolio

FIXED INCOME RETURNS	3 MOS	YTD' 18	2017	2016	2015	2014	1 YEAR	3 YEAR	5 YEAR	INCEPT	INCEPT DATE
TOTAL FIXED INCOME	0.31%	-0.15%	0.52%	2.32%	1.85%	1.53%	-0.15%	0.89%	1.21%	3.80%	06/30/1998
FIXED INCOME MANAGER RESULTS:											
PFM Group	0.43%	0.43%	0.76%	1.29%	1.16%	0.73%	0.43%	0.83%	0.87%	2.68%	07/31/2003
Policy	0.20%	0.06%	0.26%	0.89%	1.17%	0.52%	0.06%	0.40%	0.58%	2.35%	
Short Investment Grade Universe	0.39%	0.51%	0.84%	1.23%	0.94%	0.89%	0.51%	0.92%	1.03%	2.40%	
Sawgrass Asset Management	0.42%	0.18%	0.83%	2.09%	1.58%	1.22%	0.18%	1.03%	1.18%	3.80%	06/30/1998
Policy	0.28%	-0.31%	0.52%	2.10%	2.01%	1.25%	-0.31%	0.77%	1.11%	3.64%	
Short Investment Grade Universe	0.39%	0.51%	0.84%	1.23%	0.94%	0.89%	0.51%	0.92%	1.03%	3.19%	
SEIX Investment Advisors	0.04%	-1.14%	-0.09%	3.58%	2.86%	2.73%	-1.14%	0.77%	1.57%	3.07%	07/31/2003
Policy	0.15%	-0.89%	0.29%	3.59%	2.91%	2.77%	-0.89%	0.98%	1.72%	2.96%	
Intermediate Investment Grade Universe	0.14%	-0.79%	0.47%	3.98%	2.31%	3.64%	-0.79%	1.23%	1.99%	3.69%	
TOTAL FUND RETURNS											
TOTAL FUND	0.31%	-0.15%	0.52%	2.32%	1.85%	1.53%	-0.15%	0.89%	1.21%	3.80%	06/30/1998
Total Portfolio Benchmark	0.22%	-0.37%	0.38%	2.18%	2.03%	1.48%	-0.37%	0.72%	1.13%	3.60%	

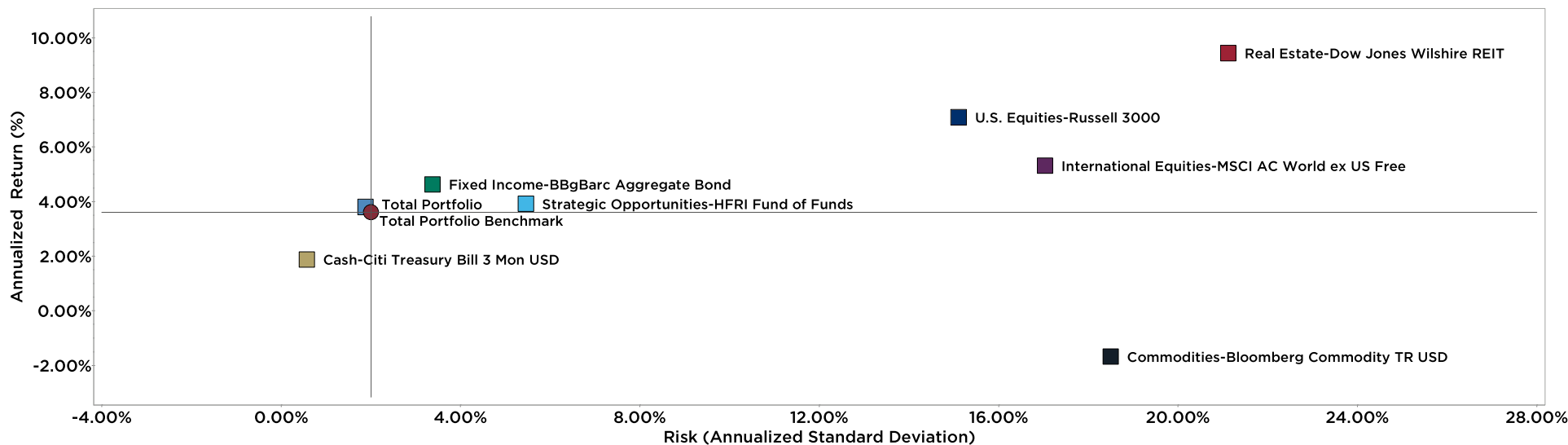
Performance returns over one-year are annualized.

PORTFOLIO STATISTICAL SUMMARY

Period Ending 9.30.18 | Q4 18

City of Ocala Treasury Investment Portfolio

COMPOSITE RISK VS. TOTAL RETURN (since inception: 06.30.98)



	3 YEAR			INCEPTION		
	Fund	Policy	Difference	Fund	Policy	Difference
Negative Periods	15.00	16.00	-1.00	64.00	73.00	-9.00
Positive Periods	21.00	20.00	1.00	179.00	170.00	9.00
Batting Average	61.11	38.89	22.22	54.73	45.27	9.47
Worst Quarter	-0.96	-1.14	0.17	-1.71	-1.73	0.02
Best Quarter	1.35	1.60	-0.25	4.32	4.19	0.13
Range	2.31	2.74	-0.42	6.03	5.92	0.11
Worst 4 Quarters	-0.15	-0.37	0.22	-0.04	-0.13	0.09
Standard Deviation	1.09	1.26	-0.18	1.88	2.01	-0.13
Beta	0.84	1.00	-0.16	0.91	1.00	-0.09
Alpha	0.15	0.00	0.15	0.35	0.00	0.35
R-Squared	93.45	100.00	-6.55	94.48	100.00	-5.52
Sharpe Ratio	0.08	-0.07	0.14	1.02	0.86	0.17
Treynor Ratio	0.10	-0.08	0.19	2.11	1.72	0.39
Tracking Error	0.35	0.00	0.35	0.46	0.00	0.46
Information Ratio	0.47	0.00	0.47	0.42	0.00	0.42

MARKET VALUES & CASH FLOW SUMMARY

Period Ending 9.30.18 | Q4 18

City of Ocala Treasury Investment Portfolio

Period Ending	Beginning Value	Net Flows	Investment Gain/Loss	Ending Value	Rate of Return
Jun 1998		\$69,757,606.00	\$0.00	\$69,757,606.00	
Sep 1998	\$69,757,606.00	(\$7.00)	\$2,256,572.00	\$72,014,171.00	3.23%
Dec 1998	\$72,014,171.00	\$0.00	\$588,902.00	\$72,603,073.00	0.82%
Mar 1999	\$72,603,073.00	\$0.00	\$384,955.00	\$72,988,028.00	0.53%
Jun 1999	\$72,988,028.00	\$0.00	(\$49,508.00)	\$72,938,520.00	-0.07%
Sep 1999	\$72,938,520.00	\$10,000,000.00	\$942,518.00	\$83,881,038.00	1.18%
Dec 1999	\$83,881,038.00	(\$6,650.00)	\$653,012.00	\$84,527,400.00	0.78%
Mar 2000	\$84,527,400.00	\$0.00	\$953,258.51	\$85,480,658.51	1.13%
Jun 2000	\$85,480,658.51	\$0.00	\$1,536,155.07	\$87,016,813.58	1.80%
Sep 2000	\$87,016,813.58	\$0.00	\$2,285,685.06	\$89,302,498.64	2.63%
Dec 2000	\$89,302,498.64	\$0.00	\$2,764,863.34	\$92,067,361.98	3.10%
Mar 2001	\$92,067,361.98	(\$0.02)	\$2,803,429.79	\$94,870,791.75	3.04%
Jun 2001	\$94,870,791.75	\$4.02	\$1,111,166.47	\$95,981,962.24	1.17%
Sep 2001	\$95,981,962.24	\$0.00	\$3,731,446.65	\$99,713,408.89	3.89%
Dec 2001	\$99,713,408.89	\$0.00	\$612,638.41	\$100,326,047.30	0.61%
Mar 2002	\$100,326,047.30	\$0.00	(\$6,482.00)	\$100,319,565.30	-0.01%
Jun 2002	\$100,319,565.30	(\$103.18)	\$3,101,558.38	\$103,421,020.50	3.09%
Sep 2002	\$103,421,020.50	\$0.00	\$3,482,091.30	\$106,903,111.80	3.37%
Dec 2002	\$106,903,111.80	\$0.00	\$1,533,535.40	\$108,436,647.20	1.43%
Mar 2003	\$108,436,647.20	\$0.00	\$1,224,464.20	\$109,661,111.40	1.13%
Jun 2003	\$109,661,111.40	\$0.00	\$1,645,646.00	\$111,306,757.40	1.50%
Sep 2003	\$111,306,757.40	(\$736,802.02)	\$855,200.62	\$111,425,156.00	0.05%
Dec 2003	\$111,425,156.00	(\$1,562.43)	\$175,476.50	\$111,599,070.07	0.16%
Mar 2004	\$111,599,070.07	(\$3,383.14)	\$1,651,927.20	\$113,247,614.13	1.48%
Jun 2004	\$113,247,614.13	(\$981.42)	(\$1,931,710.10)	\$111,314,922.61	-1.71%
Sep 2004	\$111,314,922.61	(\$2,126,161.70)	\$1,777,083.52	\$110,965,844.43	1.60%
Dec 2004	\$110,965,844.43	(\$7,976,245.39)	\$262,329.00	\$103,251,928.04	0.24%

MARKET VALUES & CASH FLOW SUMMARY

Period Ending 9.30.18 | Q4 18

City of Ocala Treasury Investment Portfolio

Period Ending	Beginning Value	Net Flows	Investment Gain/Loss	Ending Value	Rate of Return
Mar 2005	\$103,251,928.04	(\$1,865.59)	(\$420,638.68)	\$102,829,423.77	-0.41%
Jun 2005	\$102,829,423.77	(\$803.66)	\$1,616,873.18	\$104,445,493.29	1.57%
Sep 2005	\$104,445,493.29	(\$1,644.90)	\$50,127.56	\$104,493,975.95	0.05%
Dec 2005	\$104,493,975.95	(\$688.12)	\$674,086.77	\$105,167,374.60	0.65%
Mar 2006	\$105,167,374.60	(\$943.92)	\$333,571.69	\$105,500,002.37	0.32%
Jun 2006	\$105,500,002.37	(\$1,177.51)	\$625,432.26	\$106,124,257.12	0.59%
Sep 2006	\$106,124,257.12	(\$2,505.64)	\$2,588,065.43	\$108,709,816.91	2.44%
Dec 2006	\$108,709,816.91	(\$1,807.00)	\$1,196,654.25	\$109,904,664.16	1.10%
Mar 2007	\$109,904,664.16	(\$2,013.58)	\$1,677,989.38	\$111,580,639.96	1.53%
Jun 2007	\$111,580,639.96	(\$1,823.45)	\$599,260.63	\$112,178,077.14	0.54%
Sep 2007	\$112,178,077.14	(\$1,578.46)	\$2,829,885.21	\$115,006,383.89	2.52%
Dec 2007	\$115,006,383.89	\$14,998,479.89	\$2,796,937.43	\$132,801,801.21	2.40%
Mar 2008	\$132,801,801.21	(\$1,568.46)	\$3,355,117.44	\$136,155,350.19	2.53%
Jun 2008	\$136,155,350.19	(\$477.72)	(\$805,582.86)	\$135,349,289.61	-0.59%
Sep 2008	\$135,349,289.61	\$7,998,012.42	(\$523,181.99)	\$142,824,120.04	-0.32%
Dec 2008	\$142,824,120.04	(\$1,774.80)	\$6,177,015.87	\$148,999,361.11	4.32%
Mar 2009	\$148,999,361.11	(\$1,636.87)	\$1,165,378.00	\$150,163,102.24	0.78%
Jun 2009	\$150,163,102.24	\$0.00	\$2,989,721.22	\$153,152,823.46	1.99%
Sep 2009	\$153,152,823.46	(\$0.01)	\$3,030,833.97	\$156,183,657.42	1.98%
Dec 2009	\$156,183,657.42	(\$12,310,243.79)	\$795,937.48	\$144,669,351.11	0.54%
Mar 2010	\$144,669,351.11	\$12,310,243.79	\$1,670,191.21	\$158,649,786.11	1.15%
Jun 2010	\$158,649,786.11	\$0.00	\$2,570,984.34	\$161,220,770.45	1.62%
Sep 2010	\$161,220,770.45	\$0.00	\$2,472,451.70	\$163,693,222.15	1.53%
Dec 2010	\$163,693,222.15	\$0.00	(\$784,967.82)	\$162,908,254.33	-0.48%
Mar 2011	\$162,908,254.33	\$0.00	\$427,932.68	\$163,336,187.01	0.26%
Jun 2011	\$163,336,187.01	\$0.00	\$2,218,885.20	\$165,555,072.21	1.36%
Sep 2011	\$165,555,072.21	\$0.00	\$1,749,691.72	\$167,304,763.93	1.06%
Dec 2011	\$167,304,763.93	\$13.82	\$926,214.82	\$168,230,992.57	0.55%

MARKET VALUES & CASH FLOW SUMMARY

Period Ending 9.30.18 | Q4 18

City of Ocala Treasury Investment Portfolio

Period Ending	Beginning Value	Net Flows	Investment Gain/Loss	Ending Value	Rate of Return
Mar 2012	\$168,230,992.57	\$0.00	\$1,466,490.19	\$169,697,482.76	0.87%
Jun 2012	\$169,697,482.76	\$0.00	\$1,245,201.61	\$170,942,684.37	0.73%
Sep 2012	\$170,942,684.37	\$0.00	\$1,668,417.92	\$172,611,102.29	0.98%
Dec 2012	\$172,611,102.29	\$0.00	(\$96,709.05)	\$172,514,393.24	-0.06%
Mar 2013	\$172,514,393.24	\$37,008.38	\$777,679.78	\$173,329,081.40	0.45%
Jun 2013	\$173,329,081.40	\$36,760.93	(\$1,440,101.17)	\$171,925,741.16	-0.83%
Sep 2013	\$171,925,741.16	\$36,923.73	\$928,277.68	\$172,890,942.57	0.54%
Dec 2013	\$172,890,942.57	\$37,002.30	\$310,990.13	\$173,238,935.00	0.18%
Mar 2014	\$173,238,935.00	\$37,184.04	\$990,893.08	\$174,267,012.12	0.57%
Jun 2014	\$174,267,012.12	\$37,449.68	\$1,341,676.79	\$175,646,138.59	0.77%
Sep 2014	\$175,646,138.59	\$37,444.43	\$970.67	\$175,684,553.69	0.00%
Dec 2014	\$175,684,553.69	\$37,652.51	\$1,010,978.29	\$176,733,184.49	0.58%
Mar 2015	\$176,733,184.49	\$37,890.51	\$1,641,758.73	\$178,412,833.73	0.93%
Jun 2015	\$178,412,833.73	\$37,938.65	(\$355,567.20)	\$178,095,205.18	-0.20%
Sep 2015	\$178,095,205.18	\$38,021.21	\$948,139.87	\$179,081,366.26	0.53%
Dec 2015	\$179,081,366.26	\$37,911.86	(\$532,997.09)	\$178,586,281.03	-0.30%
Mar 2016	\$178,586,281.03	\$38,367.07	\$2,410,288.88	\$181,034,936.98	1.35%
Jun 2016	\$181,034,936.98	\$38,778.58	\$1,919,270.98	\$182,992,986.54	1.06%
Sep 2016	\$182,992,986.54	\$38,815.84	\$353,413.40	\$183,385,215.78	0.19%
Dec 2016	\$183,385,215.78	\$38,479.89	(\$1,765,424.85)	\$181,658,270.82	-0.96%
Mar 2017	\$181,658,270.82	\$38,676.86	\$886,922.69	\$182,583,870.37	0.49%
Jun 2017	\$182,583,870.37	\$38,852.09	\$1,006,599.12	\$183,629,321.58	0.55%
Sep 2017	\$183,629,321.58	\$38,821.05	\$834,816.25	\$184,502,958.88	0.45%
Dec 2017	\$184,502,958.88	\$38,957.82	(\$275,849.37)	\$184,266,067.33	-0.15%
Mar 2018	\$184,266,067.33	\$38,779.69	(\$1,034,665.55)	\$183,270,181.47	-0.56%
Jun 2018	\$183,270,181.47	\$38,852.91	\$460,069.63	\$183,769,104.01	0.25%
Sep 2018	\$183,769,104.01	\$38,914.65	\$567,640.19	\$184,375,658.85	0.31%

TOTAL FUND POLICY BENCHMARK SUMMARY

Period Ending 9.30.18 | Q4 18

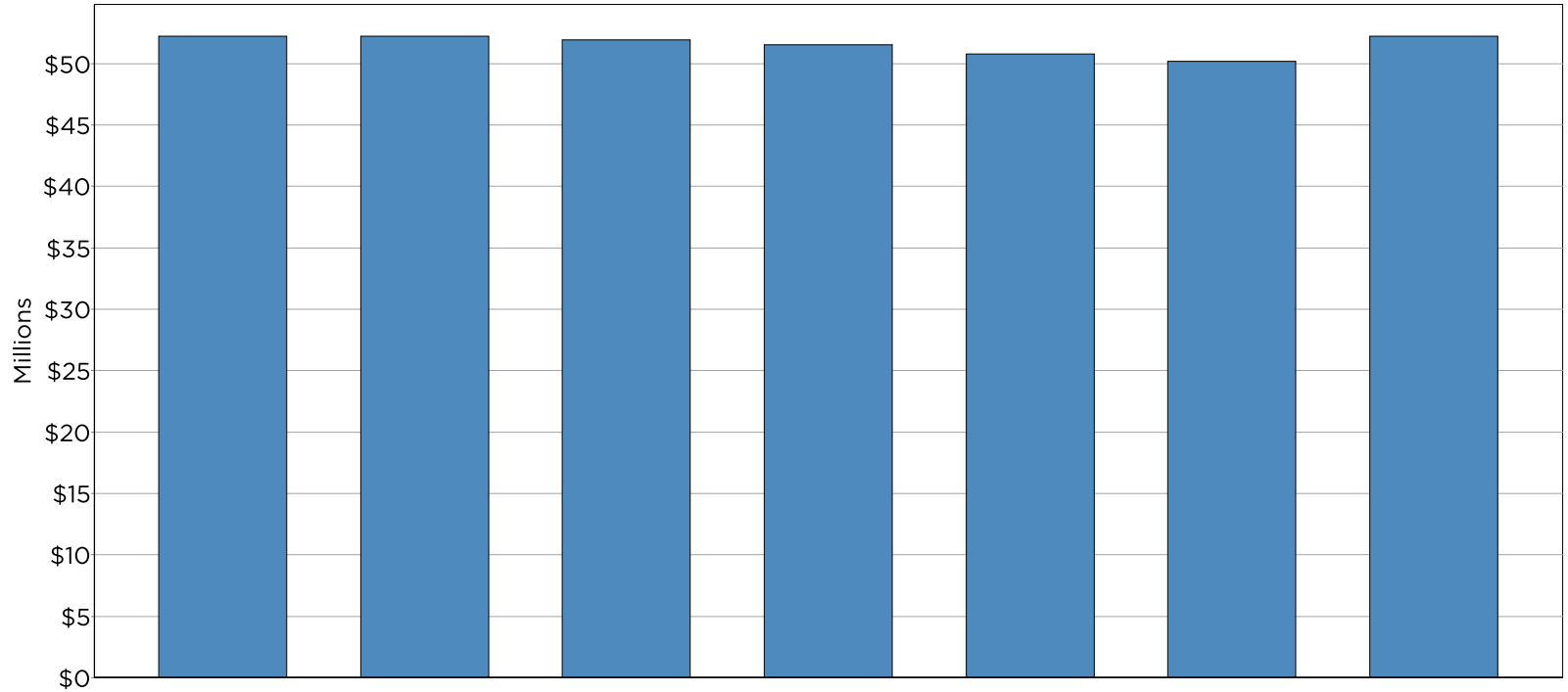
City of Ocala Treasury Investment Portfolio

DATE	BENCHMARKS	INDEX WEIGHTS
06/30/1998 To 05/31/2011	Merrill Lynch CorpGovt 1-5 Yr, A or Better	100.00

DATE	BENCHMARKS	INDEX WEIGHTS
06/01/2011 To 09/30/2013	ML US Dom Mstr 1-10A & A Above ML Unsub. Treas/Agec. 1-3 Merrill Lynch CorpGovt 1-5 Yr, A or Better	30.00 30.00 40.00

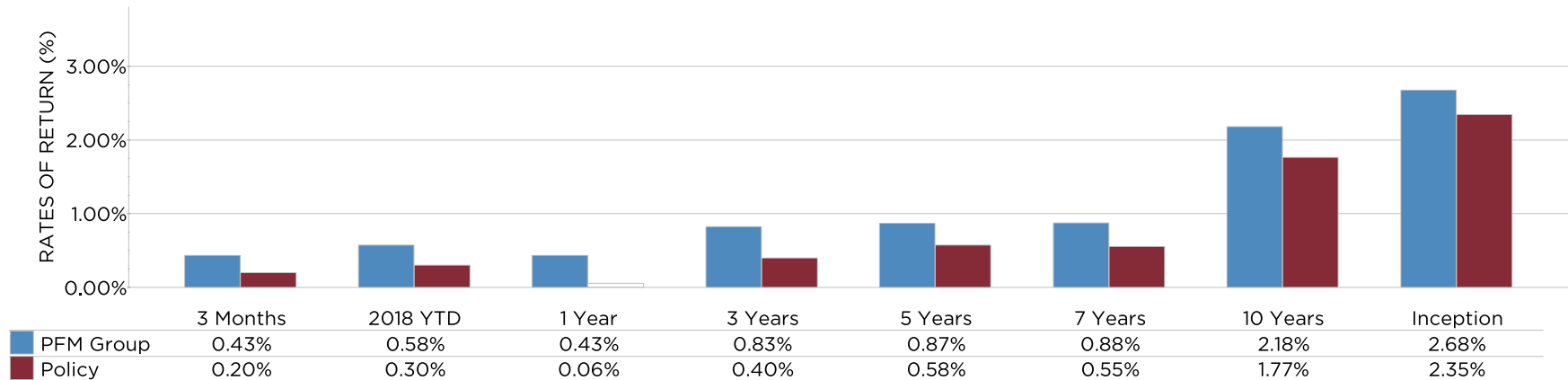
DATE	BENCHMARKS	INDEX WEIGHTS
10/01/2013 To Present	ML US Domestic Master 1-10 Years ML Unsub. Treas/Agec. 1-3 ICE BofAML US CORPORATE & GOVERNMENT 1-5 YRS	30.00 30.00 40.00

MARKET VALUES & CASH FLOW SUMMARY

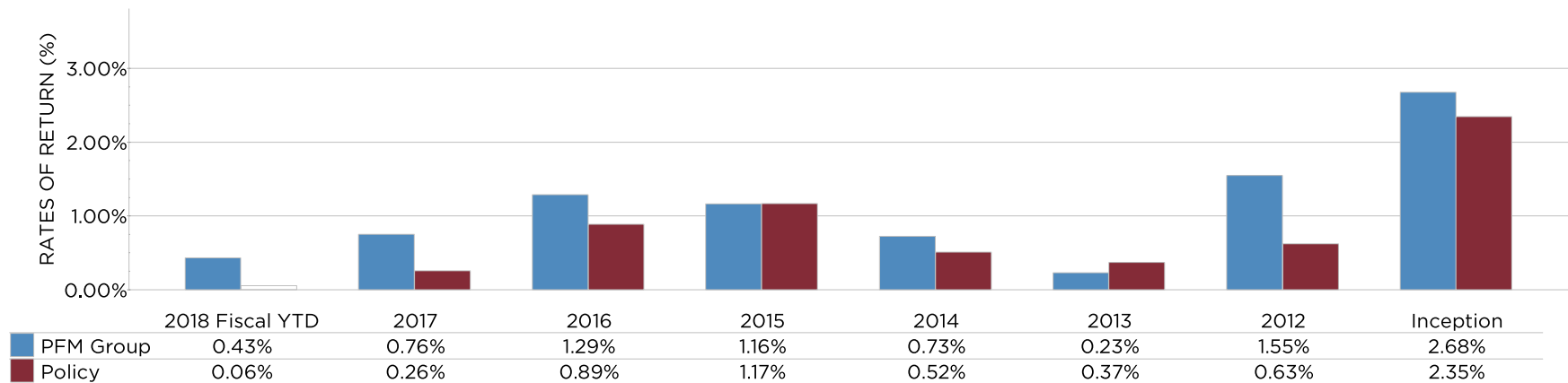


	3 Months	2018 Fiscal YTD	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Inception
Total Mkt Value Assets	\$52,202,181.37	\$52,202,181.37	\$51,932,351.40	\$51,498,900.29	\$50,799,766.03	\$50,172,191.84	\$52,202,181.37
Net Contributions	\$11,153.84	\$44,522.98	\$44,277.05	\$43,892.71	\$43,322.99	\$42,942.25	\$7,111,508.12
Net Investment Return	\$225,959.91	\$225,306.99	\$389,174.06	\$655,241.55	\$584,251.20	\$362,656.81	\$16,014,259.86

TOTAL PORTFOLIO TRAILING PERFORMANCE



TOTAL PORTFOLIO FISCAL YEAR PERFORMANCE

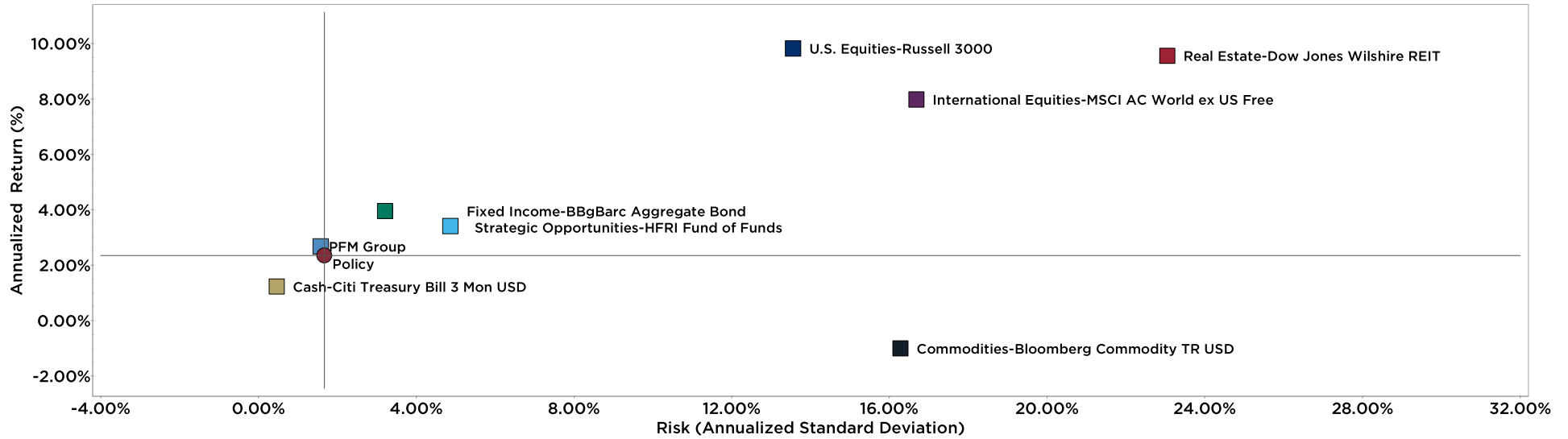


Fiscal Year Ending September

Performance returns over one-year are annualized. For important details regarding benchmarks, please refer the slides entitled "Total Fund Policy Benchmark Summary" in this presentation.

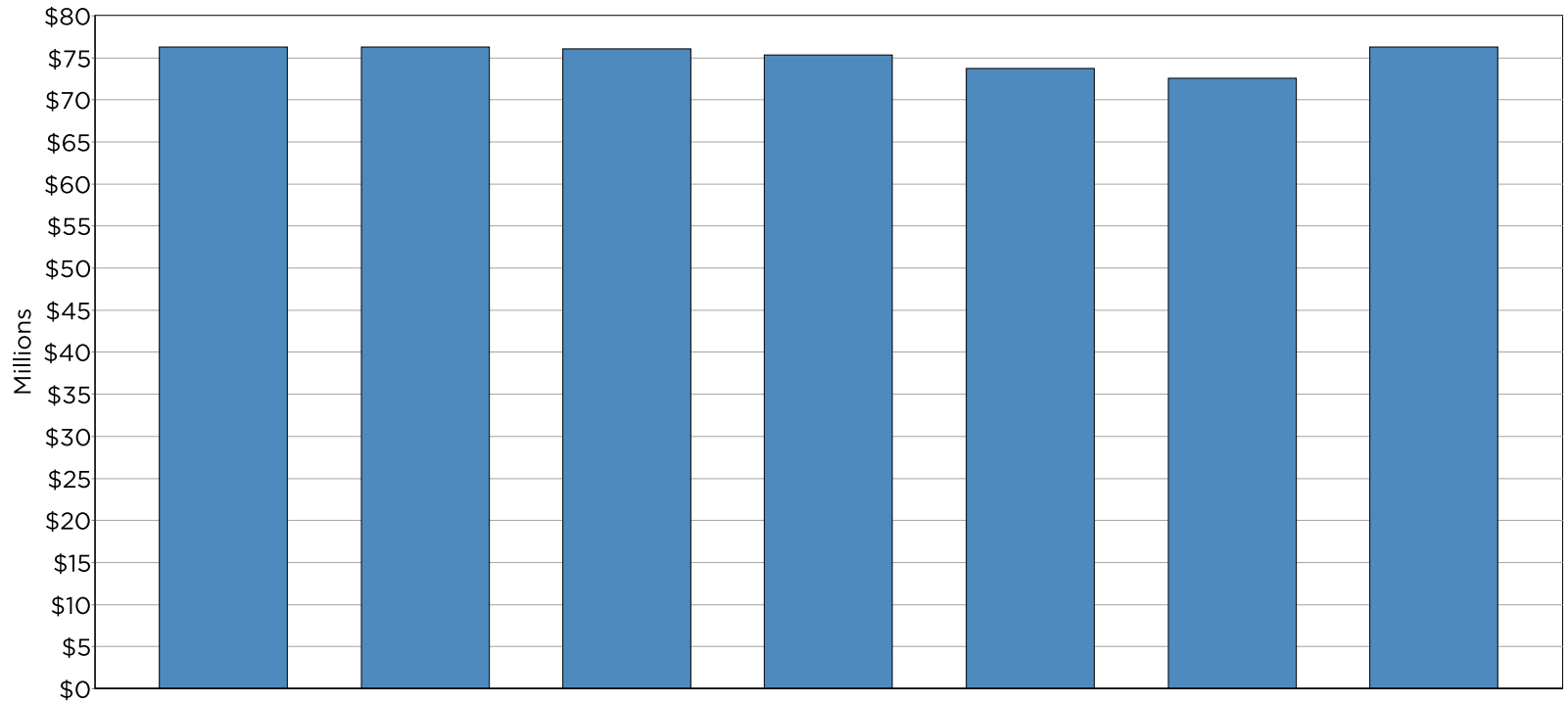
City of Ocala Treasury PFM Group

COMPOSITE RISK VS. TOTAL RETURN (since inception: 07.31.03)



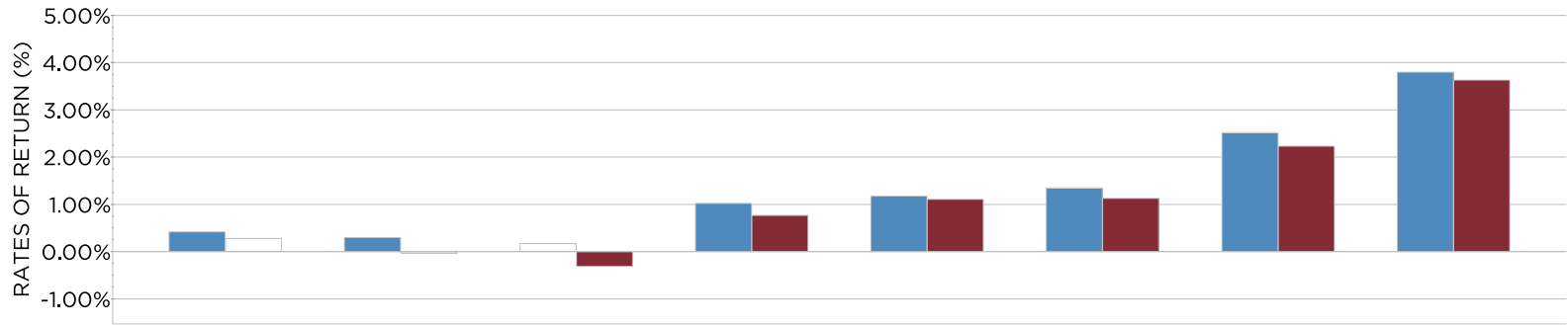
	3 YEAR			INCEPTION		
	Fund	Policy	Difference	Fund	Policy	Difference
Negative Periods	14.00	17.00	-3.00	57.00	59.00	-2.00
Positive Periods	22.00	19.00	3.00	125.00	123.00	2.00
Batting Average	80.56	19.44	61.11	59.89	40.11	19.78
Worst Quarter	-0.35	-0.43	0.08	-1.58	-1.71	0.13
Best Quarter	0.90	0.90	0.01	5.09	3.04	2.04
Range	1.25	1.33	-0.08	6.66	4.75	1.91
Worst 4 Quarters	0.43	0.06	0.38	0.23	0.06	0.18
Standard Deviation	0.66	0.73	-0.07	1.58	1.68	-0.10
Beta	0.88	1.00	-0.12	0.89	1.00	-0.11
Alpha	0.37	0.00	0.37	0.44	0.00	0.44
R-Squared	93.36	100.00	-6.64	89.98	100.00	-10.02
Sharpe Ratio	0.03	-0.55	0.58	0.91	0.66	0.25
Treynor Ratio	0.02	-0.40	0.43	1.61	1.11	0.50
Tracking Error	0.20	0.00	0.20	0.52	0.00	0.52
Information Ratio	2.13	0.00	2.13	0.61	0.00	0.61

MARKET VALUES & CASH FLOW SUMMARY



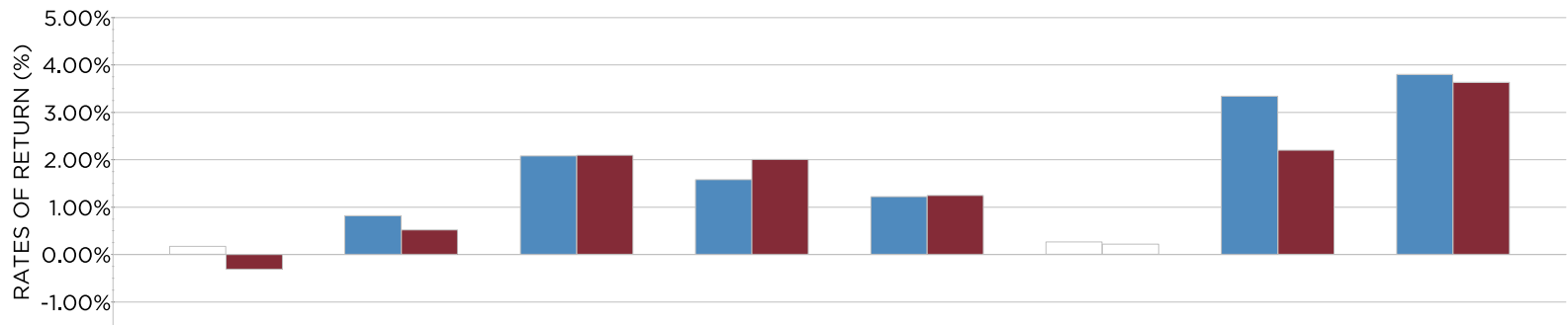
	3 Months	2018 Fiscal YTD	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Inception
Total Mkt Value Assets	\$76,255,263.56	\$76,255,263.56	\$76,055,926.13	\$75,371,016.62	\$73,768,753.88	\$72,558,628.54	\$76,255,263.56
Net Contributions	\$15,738.39	\$62,807.84	\$62,431.88	\$62,191.76	\$61,580.00	\$61,025.00	(\$49,937,696.21)
Net Investment Return	\$317,703.68	\$136,529.59	\$622,477.63	\$1,540,070.98	\$1,148,545.34	\$876,746.12	\$56,435,353.77

TOTAL PORTFOLIO TRAILING PERFORMANCE



	3 Months	2018 YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Inception
Sawgrass Asset Mgmt	0.42%	0.31%	0.18%	1.03%	1.18%	1.35%	2.52%	3.80%
Policy	0.28%	-0.04%	-0.31%	0.77%	1.11%	1.14%	2.23%	3.64%

TOTAL PORTFOLIO FISCAL YEAR PERFORMANCE



	2018 Fiscal YTD	2017	2016	2015	2014	2013	2012	Inception
Sawgrass Asset Mgmt	0.18%	0.83%	2.09%	1.58%	1.22%	0.27%	3.34%	3.80%
Policy	-0.31%	0.52%	2.10%	2.01%	1.25%	0.22%	2.21%	3.64%

Fiscal Year Ending September

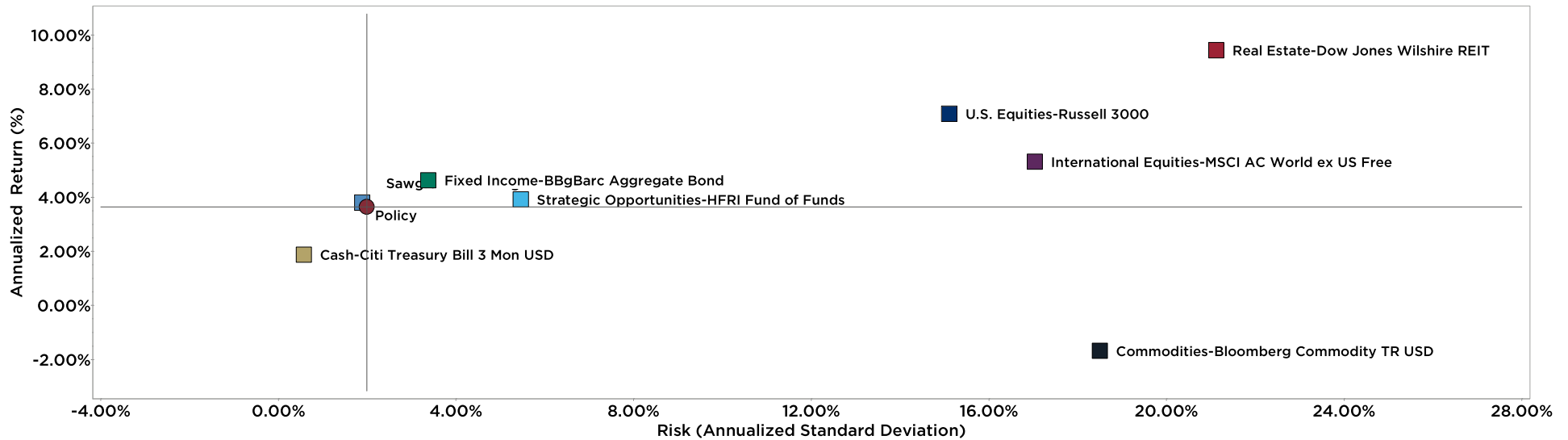
Performance returns over one-year are annualized. For important details regarding benchmarks, please refer the slides entitled "Total Fund Policy Benchmark Summary" in this presentation.

PORTFOLIO STATISTICAL SUMMARY

Period Ending 9.30.18 | Q4 18

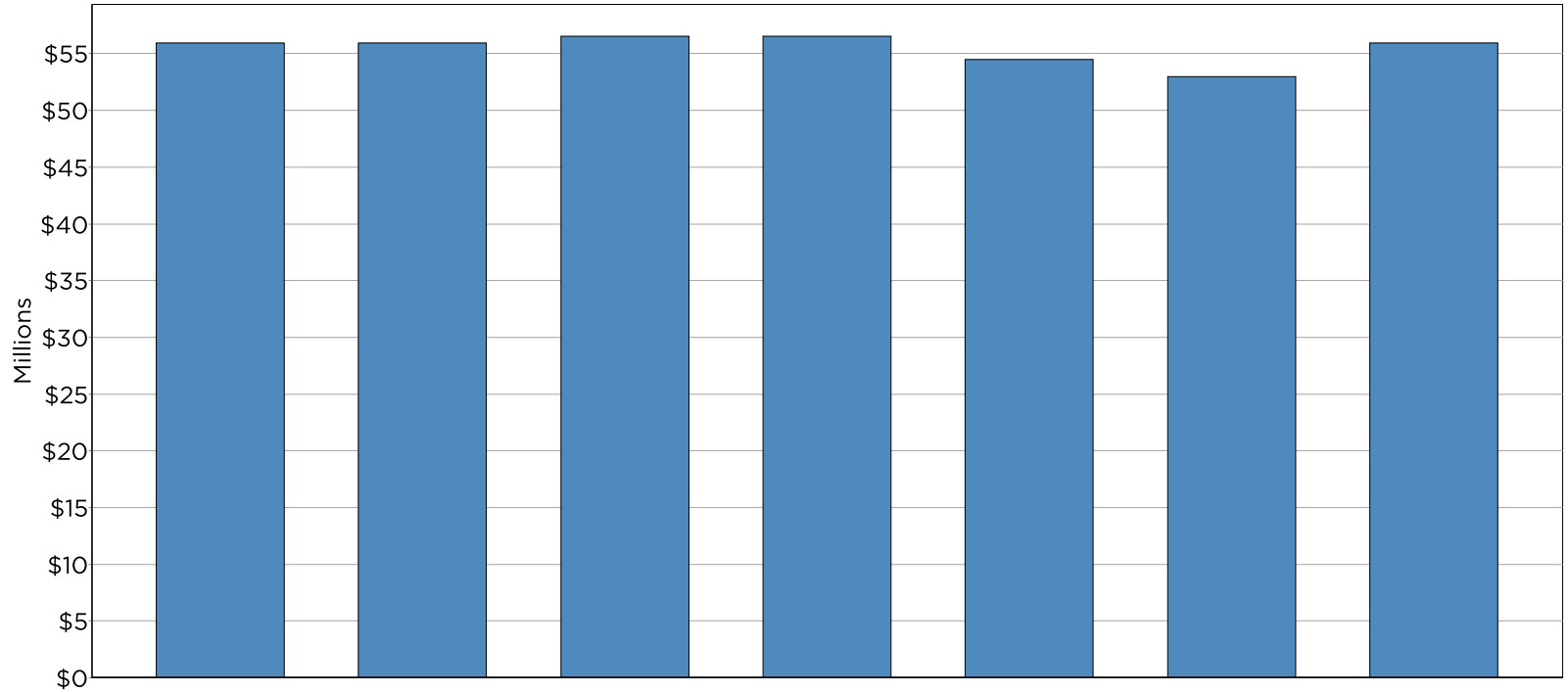
City of Ocala Treasury Sawgrass Asset Management

COMPOSITE RISK VS. TOTAL RETURN (since inception: 06.30.98)



	3 YEAR			INCEPTION		
	Fund	Policy	Difference	Fund	Policy	Difference
Negative Periods	13.00	16.00	-3.00	63.00	72.00	-9.00
Positive Periods	23.00	20.00	3.00	180.00	171.00	9.00
Batting Average	63.89	36.11	27.78	55.14	44.86	10.29
Worst Quarter	-0.63	-1.02	0.39	-1.71	-1.71	0.00
Best Quarter	1.09	1.61	-0.52	4.55	4.17	0.38
Range	1.72	2.63	-0.91	6.26	5.88	0.38
Worst 4 Quarters	0.18	-0.31	0.49	0.06	-0.16	0.22
Standard Deviation	0.95	1.23	-0.28	1.88	1.99	-0.11
Beta	0.62	1.00	-0.38	0.91	1.00	-0.09
Alpha	0.24	0.00	0.24	0.32	0.00	0.32
R-Squared	63.57	100.00	-36.43	92.15	100.00	-7.85
Sharpe Ratio	0.23	-0.03	0.27	1.02	0.88	0.14
Treynor Ratio	0.36	-0.04	0.40	2.12	1.75	0.37
Tracking Error	0.76	0.00	0.76	0.54	0.00	0.54
Information Ratio	0.34	0.00	0.34	0.29	0.00	0.29

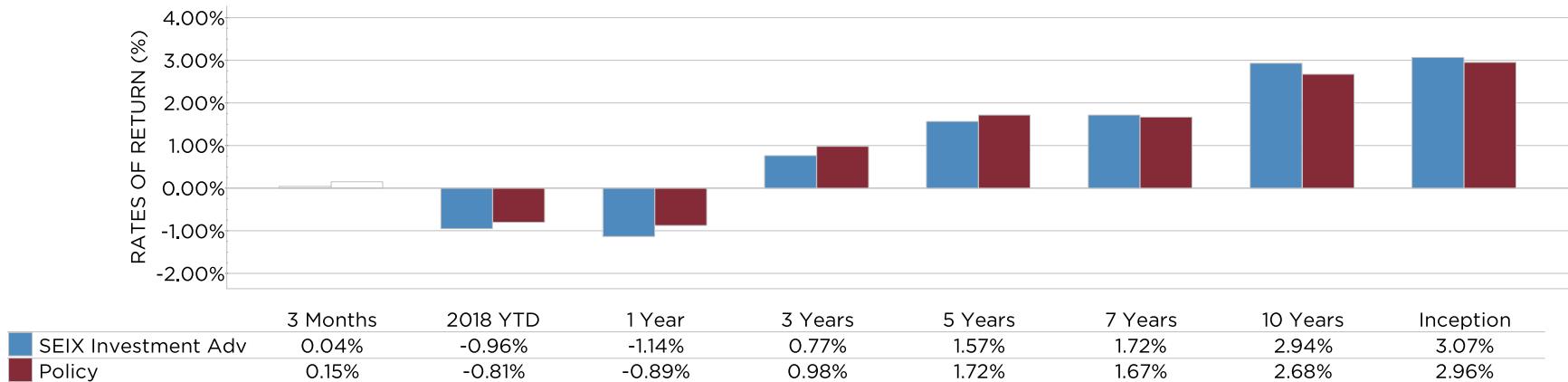
MARKET VALUES & CASH FLOW SUMMARY



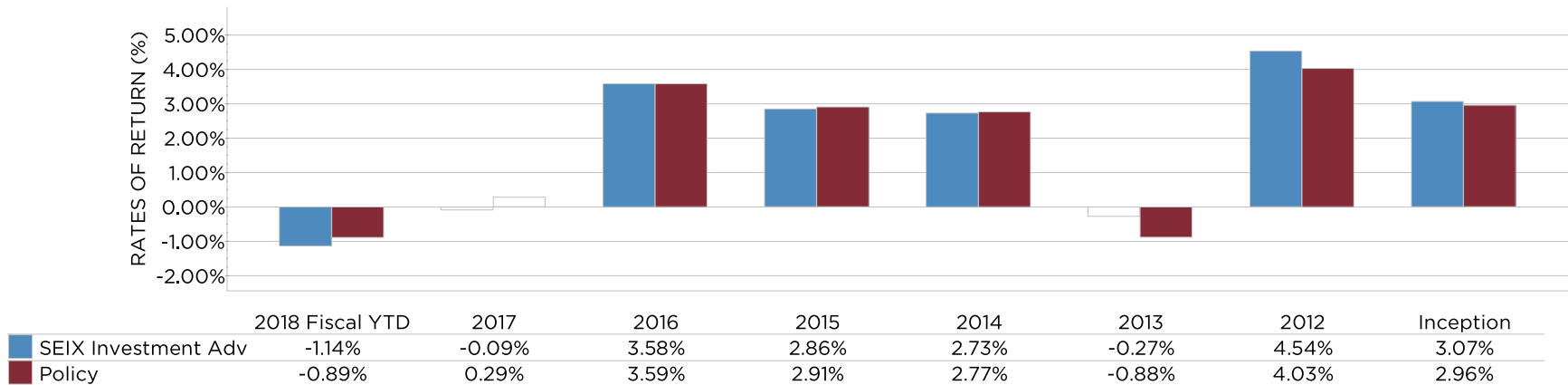
	3 Months	2018 Fiscal YTD	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Inception
Total Mkt Value Assets	\$55,918,213.92	\$55,918,213.92	\$56,514,681.35	\$56,515,298.87	\$54,512,846.35	\$52,953,733.31	\$55,918,213.92
Net Contributions	\$12,022.42	\$48,174.25	\$48,120.96	\$47,788.88	\$46,599.89	\$45,113.20	\$7,147,642.97
Net Investment Return	\$23,976.60	(\$644,641.68)	(\$48,738.48)	\$1,954,663.64	\$1,512,513.15	\$1,405,127.74	\$19,170,650.38

City of Ocala Treasury SEIX Investment Advisors

TOTAL PORTFOLIO TRAILING PERFORMANCE



TOTAL PORTFOLIO FISCAL YEAR PERFORMANCE

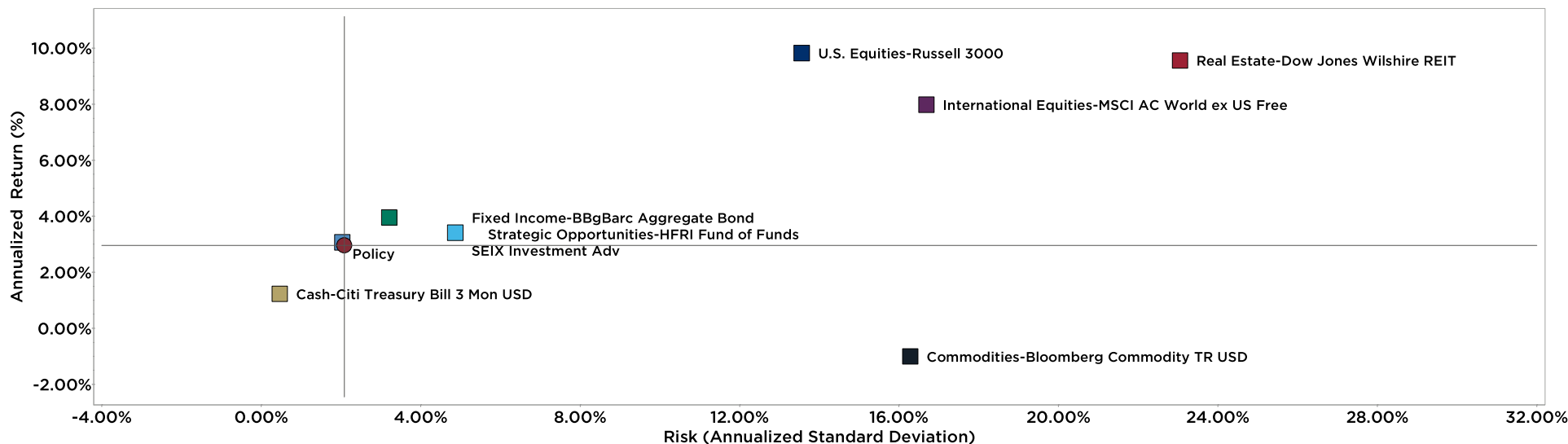


Fiscal Year Ending September

Performance returns over one-year are annualized. For important details regarding benchmarks, please refer the slides entitled "Total Fund Policy Benchmark Summary" in this presentation.

City of Ocala Treasury SEIX Investment Advisors

COMPOSITE RISK VS. TOTAL RETURN (since inception: 07.31.03)



	3 YEAR			INCEPTION		
	Fund	Policy	Difference	Fund	Policy	Difference
Negative Periods	17.00	16.00	1.00	57.00	62.00	-5.00
Positive Periods	19.00	20.00	-1.00	125.00	120.00	5.00
Batting Average	25.00	75.00	-50.00	46.70	53.30	-6.59
Worst Quarter	-1.97	-2.00	0.04	-1.97	-2.00	0.04
Best Quarter	2.12	2.29	-0.17	3.24	3.75	-0.51
Range	4.08	4.29	-0.21	5.20	5.75	-0.55
Worst 4 Quarters	-1.14	-0.89	-0.25	-1.14	-0.89	-0.25
Standard Deviation	1.88	1.91	-0.03	2.03	2.09	-0.06
Beta	0.98	1.00	-0.02	0.93	1.00	-0.07
Alpha	-0.21	0.00	-0.21	0.24	0.00	0.24
R-Squared	98.49	100.00	-1.51	89.68	100.00	-10.32
Sharpe Ratio	-0.02	0.09	-0.11	0.91	0.83	0.08
Treynor Ratio	-0.04	0.17	-0.21	1.99	1.73	0.26
Tracking Error	0.24	0.00	0.24	0.67	0.00	0.67
Information Ratio	-0.89	0.00	-0.89	0.16	0.00	0.16

ALPHA

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BATTING AVERAGE

Batting Average, an indicator of consistency, measures the percentage of time an active manager outperformed the benchmark.

BETA

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

CAPTURE RATIO

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

INFORMATION RATIO

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

PERCENTILE RANK

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

RISK-ADJUSTED PERFORMANCE

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

R-SQUARED

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher Sharpe ratio implies greater manager efficiency.

STANDARD DEVIATION

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

TRACKING ERROR

Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style.

TREYNOR RATIO

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the annualized excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.

QUANTITATIVE EVALUATION ITEMS QUALITATIVE EVALUATION ITEMS



The following categories of the Investment Policy Monitor appear “Marked For Review” when:

CAPTRUST’s Investment Policy Monitoring Methodology

The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis.

Our current Investment Policy Monitoring Methodology document can be accessed through the following link:

captrustadvisors.com/investmentmonitoring

3/5 Year Risk- adjusted Performance

The investment option’s 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.

3/5 Year Performance vs. Peers

The investment option’s 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.

3/5 Year Style

The investment option’s 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.

3/5 Year Confidence

The investment option’s 3 or 5 Year Confidence Rating falls below the 50th percentile of the peer group.

Fund Management

A significant disruption to the investment option’s management team has been discovered.

Fund Family

A significant disruption to the investment option’s parent company has been discovered.