



Portfolio Statement

City of Ormond Beach Firefighters' Pension Trust Fund

Diversified Large Growth Equity

June 30, 2016

Please see the last page of this statement for important information.

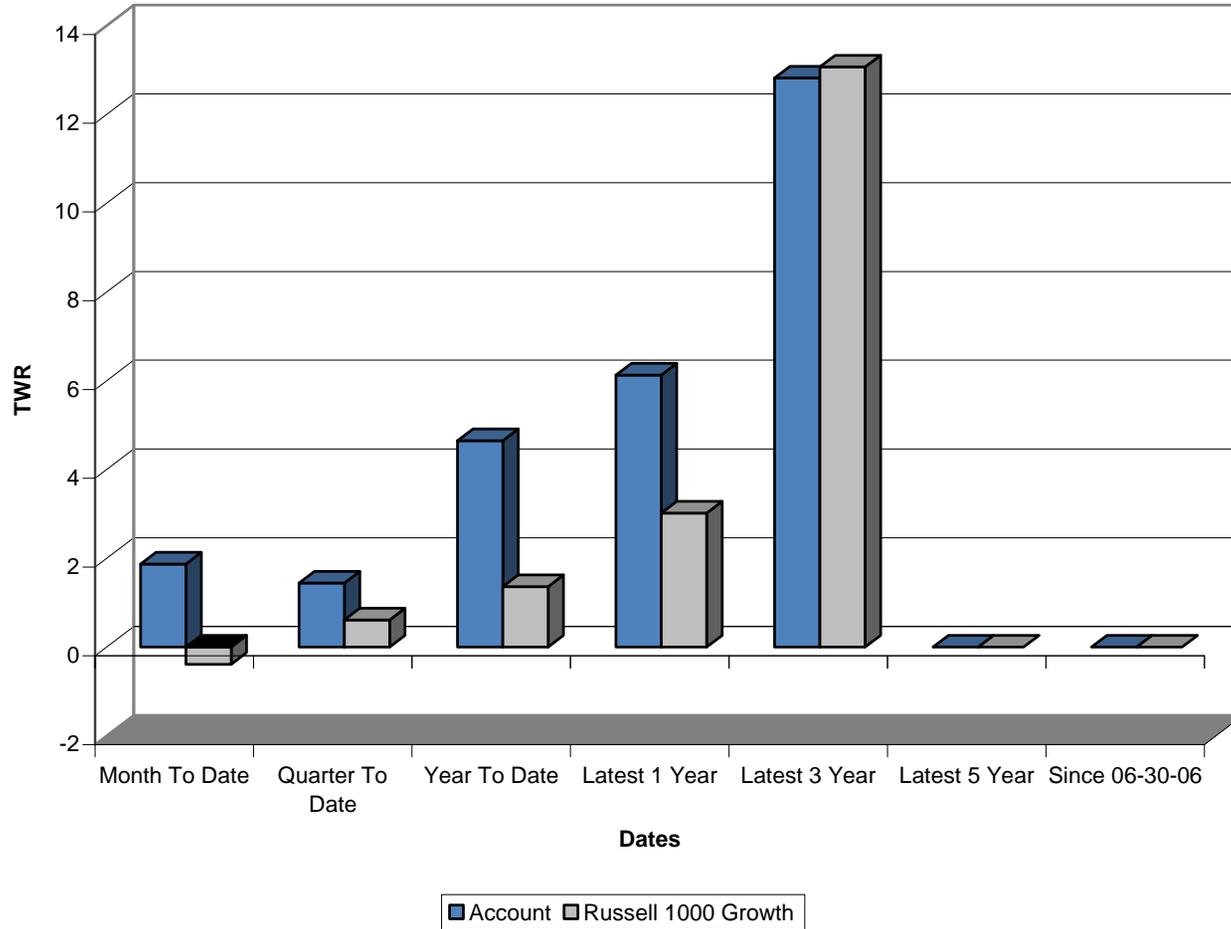
Sawgrass Asset Management
PORTFOLIO SUMMARY
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
June 30, 2016

Security Type	Total Cost	Market Value	Pct Assets	Est. Annual Income
Equities				
COMMON STOCK				
Consumer Discretionar	526,031	679,521	21.0	7,553
Consumer Staples	372,469	484,170	15.0	10,156
Financials	166,739	196,492	6.1	3,510
Health Care	406,462	490,837	15.2	4,752
Industrials	307,505	384,199	11.9	2,316
Information Technolog	526,512	621,366	19.2	9,088
Materials	27,769	48,626	1.5	451
Utilities	139,025	176,578	5.5	7,098
	2,472,512	3,081,789	95.5	44,924
	2,472,512	3,081,789	95.5	44,924
Cash and Equiv.				
CASH AND EQUIVS.	146,553	146,553	4.5	144
	146,553	146,553	4.5	144
TOTAL PORTFOLIO	2,619,064	3,228,342	100.0	45,068

Sawgrass Asset Management
TWR FOR SELECTED PERIODS
ANNUALIZED
GROSS OF FEES
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
June 30, 2016

	Month To Date	Quarter To Date	Year To Date	Latest 1 Year	Latest 3 Year	Latest 5 Year	Since 06-30-06
Total Account							
Account	1.87	1.44	4.65	6.13	12.82	-	-
Russell 1000 Growth	-0.39	0.61	1.36	3.02	13.07	-	-
Equities							
Account	1.96	1.52	4.92	6.42	13.43	-	-
Russell 1000 Growth	-0.39	0.61	1.36	3.02	13.07	-	-
S&P 500	0.26	2.46	3.84	3.99	11.66	-	-
Fixed Income							
Account	0.00	0.00	0.00	0.00	0.00	-	-
Cash and Equiv.							
Account	0.01	0.03	0.05	0.06	0.16	-	-
Other							
Account	0.00	0.00	0.00	0.00	0.00	-	-

Sawgrass Asset Management
TWR FOR SELECTED PERIODS
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
 June 30, 2016



Sawgrass Asset Management
PORTFOLIO APPRAISAL
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
June 30, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
COMMON STOCK						
Consumer Discretionary						
100.0000	AUTOZONE INC COM	461.70	46,170	793.84	79,384	2.5
1,450.0000	COMCAST CORP NEW CL A	42.40	61,474	65.19	94,525	2.9
560.0000	COSTCO COMPANIES INC COM	131.73	73,766	157.04	87,942	2.7
570.0000	DISNEY WALT CO COM	88.55	50,475	97.82	55,757	1.7
510.0000	DOLLAR TREE STORES COM	74.43	37,958	94.24	48,062	1.5
540.0000	HOME DEPOT INC COM	80.13	43,273	127.69	68,953	2.1
800.0000	MCDONALDS CORP COM	106.85	85,484	120.34	96,272	3.0
390.0000	OMNICOM GROUP INC COM	82.17	32,045	81.49	31,781	1.0
680.0000	STARBUCKS CORP COM	58.48	39,763	57.12	38,842	1.2
1,010.0000	TJX COS INC NEW COM	55.07	55,622	77.23	78,002	2.4
			526,031		679,521	21.0

Sawgrass Asset Management
PORTFOLIO APPRAISAL
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
June 30, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
Consumer Staples						
2,790.0000	COCA COLA CO COM	39.93	111,404	45.33	126,471	3.9
1,020.0000	CVS HEALTH CORP	61.82	63,052	95.74	97,655	3.0
330.0000	DR PEPPER SNAPPLE GROUP	92.08	30,386	96.63	31,888	1.0
1,140.0000	GENERAL MILLS INC	51.12	58,276	71.32	81,305	2.5
2,020.0000	KROGER CO	25.96	52,446	36.79	74,316	2.3
680.0000	MCCORMICK & CO INC COM NON VTG	83.68	56,905	106.67	72,536	2.2
			372,469		484,170	15.0
Financials						
300.0000	BERKSHIRE HATHAWAY INC CL B	133.16	39,949	144.79	43,437	1.3
650.0000	CBOE HLDGS INC COM	66.52	43,240	66.62	43,303	1.3
960.0000	MARSH & MCLENNAN COS COM	57.36	55,064	68.46	65,722	2.0
500.0000	MASTERCARD INC CL A	56.97	28,486	88.06	44,030	1.4
			166,739		196,492	6.1

Sawgrass Asset Management
PORTFOLIO APPRAISAL
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
 June 30, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
Health Care						
610.0000	ABBOTT LABS COM	35.61	21,724	39.31	23,979	0.7
640.0000	ABBVIE INC. COM	50.43	32,278	61.91	39,622	1.2
320.0000	EXPRESS SCRIPTS HOLDING CO COM	65.17	20,853	75.80	24,256	0.8
880.0000	JOHNSON & JOHNSON COM	92.24	81,171	121.30	106,744	3.3
850.0000	LABORATORY AMER HLDGS COM NEW	119.90	101,914	130.27	110,729	3.4
360.0000	MCKESSON CORP	124.48	44,811	186.65	67,194	2.1
190.0000	SCHEIN HENRY INC COM	168.49	32,014	176.80	33,592	1.0
600.0000	UNITED HEALTHCARE CORP COM	119.49	71,696	141.20	84,720	2.6
			406,462		490,837	15.2
Industrials						
240.0000	3M CO	137.46	32,989	175.12	42,029	1.3
690.0000	DANAHER CORP COM	58.74	40,530	101.00	69,690	2.2
1,170.0000	EXPEDITORS INTL WASH COM	45.40	53,122	49.04	57,377	1.8
140.0000	FEDEX CORP COM	138.33	19,366	151.78	21,249	0.7

Sawgrass Asset Management
PORTFOLIO APPRAISAL
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
June 30, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
510.0000	HONEYWELL INTL INC COM	73.04	37,251	116.32	59,323	1.8
490.0000	STERICYCLE INC COM	99.83	48,918	104.12	51,019	1.6
1,030.0000	VERISK ANALYTICS INC	73.13	75,329	81.08	83,512	2.6
			307,505		384,199	11.9
Information Technology						
140.0000	ALPHABET INC CL A	490.61	68,685	703.53	98,494	3.1
1,520.0000	APPLE INC	88.23	134,108	95.60	145,312	4.5
680.0000	CITRIX SYS INC COM	74.58	50,715	80.09	54,461	1.7
3,540.0000	EMC CORP/MASS	19.89	70,420	27.17	96,182	3.0
2,470.0000	MICROSOFT CORP COM	49.46	122,165	51.17	126,390	3.9
1,590.0000	ORACLE CORPORATION	33.86	53,838	40.93	65,079	2.0
410.0000	VERISIGN INC COM	64.83	26,580	86.46	35,449	1.1
			526,512		621,366	19.2
Materials						
410.0000	ECOLAB INC COM	67.73	27,769	118.60	48,626	1.5
Utilities						
649.0000	AT&T CORP COM	27.59	17,908	43.21	28,043	0.9

Sawgrass Asset Management
PORTFOLIO APPRAISAL
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
June 30, 2016

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets
2,660.0000	VERIZON COMMUNICATIONS COM	45.53	121,117	55.84	148,534	4.6
			139,025		176,578	5.5
			2,472,512		3,081,789	95.5
CASH AND EQUIVS.						
	Delayed Interest		12		12	0.0
	Dividend Accrual		2,324		2,324	0.1
	Regions Trust Cash Sweep		144,217		144,217	4.5
			146,553		146,553	4.5
TOTAL PORTFOLIO			2,619,064		3,228,342	100.0

Sawgrass Asset Management
INCOME AND EXPENSES
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
From 06-01-16 Through 06-30-16

Ex-Date	Pay-Date	Security	Amount
COMMON STOCK			
06-01-16	06-17-16	CBOE HLDGS INC COM	149
06-01-16	07-29-16	DANAHER CORP COM	110
06-02-16	06-20-16	MCDONALDS CORP COM	712
06-02-16	07-01-16	MCKESSON CORP	101
06-09-16	07-11-16	OMNICOM GROUP INC COM	214
06-10-16	07-07-16	DR PEPPER SNAPPLE GROUP	175
06-13-16	07-01-16	COCA COLA CO COM	1,116
06-14-16	07-01-16	FEDEX CORP COM	56
06-15-16	06-28-16	UNITED HEALTHCARE CORP COM	375
06-17-16	07-15-16	ECOLAB INC COM	143
06-29-16	07-22-16	EMC CORP/MASS	407
			3,560
CASH AND EQUIVS.			
06-30-16	06-30-16	Regions Trust Cash Sweep	12
			12
INVESTMENT MANAGEMENT FEES			
06-30-16	06-30-16	Management Fees	4,380
			4,380
NET INCOME			-807

Sawgrass Asset Management
PURCHASE AND SALE
City of Ormond Beach Firefighters' Pension Trust Fund
Diversified Large Growth Equity
From 06-01-16 To 06-30-16

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
PURCHASES					
06-21-16	06-24-16	180.0000	ABBVIE INC. COM	60.02	10,804
06-27-16	06-30-16	30.0000	ALPHABET INC CL A	676.83	20,305
06-21-16	06-24-16	170.0000	CVS HEALTH CORP	93.55	15,903
06-21-16	06-24-16	150.0000	STARBUCKS CORP COM	55.73	8,360
06-27-16	06-30-16	110.0000	VERISIGN INC COM	81.95	9,015
					64,386
SALES					
06-27-16	06-30-16	400.0000	COCA COLA CO COM	43.37	17,349
06-27-16	06-30-16	300.0000	GENERAL MILLS INC	65.87	19,762
06-27-16	06-30-16	150.0000	MCCORMICK & CO INC COM NON VTG	101.07	15,160
06-21-16	06-24-16	200.0000	VERIZON COMMUNICATIONS COM	53.93	10,786
					63,057

Sawgrass Asset Management
BROKER COMMISSIONS
From 04-01-16 to 06-30-16

<u>Portfolio</u>	<u>Implied</u>	<u>Explicit</u>	<u>Total</u>
Bank of New York			
Lynch, Jones & Ryan			
City of Ormond Beach Firefighters' Pension Trust Fund	0.00	26.80	26.80
SUBTOTAL	<u>0.00</u>	<u>26.80</u>	<u>26.80</u>
TOTAL	0.00	26.80	26.80
Goldman Sachs Exe&Clearing			
Rosenblatt Securities Inc.			
City of Ormond Beach Firefighters' Pension Trust Fund	0.00	33.60	33.60
SUBTOTAL	<u>0.00</u>	<u>33.60</u>	<u>33.60</u>
TOTAL	0.00	33.60	33.60
Themis Trading LLC			
Themis Trading			
City of Ormond Beach Firefighters' Pension Trust Fund	0.00	24.40	24.40
SUBTOTAL	<u>0.00</u>	<u>24.40</u>	<u>24.40</u>
TOTAL	0.00	24.40	24.40

Sawgrass Asset Management
BROKER COMMISSIONS
From 04-01-16 to 06-30-16

<u>Portfolio</u>	<u>Implied</u>	<u>Explicit</u>	<u>Total</u>
Newport EMS/Instinet			
Newport EMS/Instinet			
City of Ormond Beach Firefighters'	0.00	30.80	30.80
Pension Trust Fund			
SUBTOTAL	<u>0.00</u>	<u>30.80</u>	<u>30.80</u>
TOTAL	0.00	30.80	30.80
GRAND TOTAL	0.00	115.60	115.60

Important Information

- *This statement includes information and data obtained from third party sources, which we believe to be reliable. However, we cannot guarantee the accuracy or completeness of such information.*
- *We strongly encourage you to compare this statement with that received directly from your custodian. Please refer to your custodian for official cost basis and tax reporting.*
- *Unless otherwise indicated, performance data is reported gross of investment management fees.*
- *Performance results for periods of longer than one year are annualized.*
- *Detailed information about our Firm is contained in our ADV Part 2 (Disclosure Brochure) which may be obtained by phoning us at (904)493-5500.*

Stock Market: Quarter in Review

- The equity markets continued their rudderless churn in the second quarter as the major indices registered a modest 2.5% gain to finish the first half of the year not far from where they started.
- After spending most of the quarter bumping up against the resistance of the top end of the range that has contained the markets for two years, the Brexit vote in the last week of the quarter saw stocks drop over 5% in two days only to recoup almost all of the losses over the subsequent four days.
- Factor performance in the quarter was mixed given the generally risk-on nature of much of the quarter that was offset by a much more defensive environment in June. Lower beta, lower price volatility, and momentum were generally rewarded as attractive valuation was a notable laggard.
- Small cap outperformed large cap while value significantly outpaced growth. Top sector performers for the quarter were energy, utilities, and health care while the relative laggards were information technology, consumer discretionary, and industrials.

Stock Market: The Quarter Ahead

- Looking back, stocks have essentially moved sideways for two years. If this trading range breaks in a meaningful way, we could see a significant move in **either** direction.
- The fallout from the vote by Great Britain to leave the EU is likely to continue to roil markets in the coming months as the uncertainties and risks in both the political and financial arenas will not likely be ameliorated quickly.
- The ongoing and persistent disconnect between bonds and stocks is a source of concern given the extremes that the divergence has reached. Stocks are trading near all-time highs while yields are near historic lows, potentially creating widely different stories about the prospects for economic growth and risk seeking behavior by investors.
- Despite support from historically low interest rates, valuations remain elevated given the current earnings and economic growth backdrop.
- Continued relative weakness in more economically sensitive stocks compared to their more defensive counterparts suggests a market that is not ready to charge significantly higher in the near term.
- The last seven years have seen a strong bull market and impressive returns. Given current valuations above historic norms and low growth expectations not aided by a Europe in turmoil, we have more modest expectations for stock returns over the next several years.

2 nd Quarter Scorecard		Table 1
Index	Quarter	1 Year
S&P 500	2.5%	4.0%
Russell 1000	2.5%	2.9%
Russell 2000	3.8%	-6.7%
Russell 3000	2.6%	2.1%
Russell 3000 Growth	0.8%	1.9%
Russell 3000 Value	4.6%	2.4%
Barclays Capital US Aggregate	2.2%	5.9%
3 Month T-Bills	0.03%	0.05%

Source: Bloomberg & Russell Investments



Fixed Income Markets

Brexit...and Other Made-Up Words

Daily news sources and the twenty-four hour cable channels grab onto whatever is happening now. They scream from the highest mountain top and over-sensationalize each new topic. A quarterly investment review attempts to stay above the fray, to capture major events and themes to make sense of today's noise. Unfortunately, today both the sensational and the important are the same thing, Brexit. Great Britain's recent vote to leave the European Union coined many new words—Bremain and Brexit are a couple of the more popular. After the votes were counted and the financial tumult ensued, confusion reigned. Today, when questions need answers, people turn to the source of all knowledge, Google. Just after the vote, Google activity showed a spike in the search query "What does Brexit mean?" More troubling, another spike was seen in the search "What is the EU?" As a proud American, I know a more reliable source of wisdom is one our Founding Fathers, Alexander Hamilton. Elections brought Hamilton to comment, "The masses are asses." Don't argue with eleven Tony Awards.

Interest Rates and the Economy

Investors know not to invest in made-up words (Google, aside). Old fashioned "safety" and "liquidity" took money away from "risk" and "volatility." Interest rates were relatively unchanged for the quarter until the last week. Fear and uncertainty drove the yield of the US Treasury ten-year note down thirty basis points (see Table 2). The Barclay's Aggregate Index gained over 2 ½% *un-annualized* for the quarter. For these levels to hold, Brexit needs to cause global recession. Great Britain represents approximately 4% of global GDP, and their growth is expected to ease by 1% due to Brexit. One percent of four percent is a small figure. Certainly, U.S. momentum should prevail and recent indicators have shown that to be the case with U.S. unemployment below 5% (See Graph 1), higher job openings, increasing consumer confidence, higher new home sales (See Graph 2), and forecast GDP over 2%. The stock market agrees, has shrugged off the fear and finished the month and quarter higher. This optimism is helped by the consensus belief that the Federal Reserve has current rate hikes on hold. Even the nation's big banks have passed Government stress tests suggesting financial contagion is not the concern it was a decade ago.

U.S. interest rates are near all-time lows. Negative interest rates can be found across Europe and Japan. Looking forward, a continuing accommodative Federal Reserve and a newly aggressive European Central Bank (increased bond buying including corporate debt) help limit the downside risk. It is our expectation that domestic strength will dominate international uncertainty resulting in a normalization of interest rates. These headlines have not changed your investment goals. Proper asset allocation, periodic rebalancing and sound risk management are the words to remember.

Graph 1

U.S. Unemployment Rate



Graph 2

New Home Sales



Interest Rate Summary

Table 2

	6/30/15	3/31/16	6/30/16	Qtr Change	12-Month Change
3 Month T-Bills	0.0	0.2	0.3	+0.1	+0.3
5 Year Treasury	1.6	1.2	1.0	-0.2	-0.7
10 Year Treasury	2.4	1.8	1.5	-0.3	-0.9
30 Year Treasury	3.1	2.6	2.3	-0.3	-0.8
5 Year Corporate ('A')	2.5	2.1	1.8	-0.3	-0.7
10 Year Corporate ('A')	3.6	2.9	2.6	-0.3	-1.0
30 Year Fixed Rate Mortg.	4.2	3.7	3.5	-0.1	-0.6

Source: Bloomberg

Investment Review

June 30, 2016

City Of Ormond Beach Pension Trust Funds





Portfolio Market Values

Ormond Beach Firefighters

Beginning Market Value on 03/31/16	3,187,005
Cash Additions	0
Cash Withdrawals	-4,583
Investment Gain/Loss	45,920
Ending Market Value on 06/30/16	3,228,342

Ormond Beach General Employees

Beginning Market Value on 03/31/16	5,036,172
Cash Additions	0
Cash Withdrawals	-62,242
Investment Gain/Loss	69,925
Ending Market Value on 06/30/16	5,043,855

Ormond Beach Police Officers

Beginning Market Value on 03/31/16	3,483,191
Cash Additions	0
Cash Withdrawals	-85,009
Investment Gain/Loss	48,308
Ending Market Value on 06/30/16	3,446,490

Portfolio Summary

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	146,553	4.5%
Equity	\$	3,081,789	95.5%
TOTAL	\$	3,228,342	100.0%

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	184,027	3.6%
Equity	\$	4,859,828	96.4%
TOTAL	\$	5,043,855	100.0%

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	146,262	4.2%
Equity	\$	3,300,228	95.8%
TOTAL	\$	3,446,490	100.0%



Portfolio Performance

Ormond Beach Firefighters

	Q2 2016	Year to Date	09/30/2015- 06/30/2016	1 Year	3 Years Annualized	Since Inception Annualized*
TOTAL PORTFOLIO	1.4%	4.6%	10.9%	6.1%	12.8%	12.9%
Russell 1000 Growth	0.6%	1.4%	8.8%	3.0%	13.1%	12.5%

Ormond Beach General Employees

	Q2 2016	Year to Date	09/30/2015- 06/30/2016	1 Year	3 Years Annualized	Since Inception Annualized*
TOTAL PORTFOLIO	1.4%	4.5%	10.9%	6.3%	13.2%	13.1%
Russell 1000 Growth	0.6%	1.4%	8.8%	3.0%	13.1%	12.5%

Ormond Beach Police Officers

	Q2 2016	Year to Date	09/30/2015- 06/30/2016	1 Year	3 Years Annualized	Since Inception Annualized*
TOTAL PORTFOLIO	1.5%	4.8%	11.0%	6.2%	13.2%	13.2%
Russell 1000 Growth	0.6%	1.4%	8.8%	3.0%	13.1%	12.5%

* Since Inception 4/25/12 Returns are gross of investment management fees

Diversified Large Growth Equity - 2Q16 Portfolio Review & Outlook

Market Review:

- Despite the “Brexit” event, which saw stocks fall and rise almost 6% during the last week of the quarter, the S&P 500 posted a modest gain of 2.5% for the 2nd quarter.
- Returns were mixed as Energy, Utilities and Healthcare posted strong returns while Technology and Discretionary had negative returns.
- Style was more divergent this quarter as the Russell 3000 Value, led by strong energy returns, handily outpaced Growth (4.6% vs 0.8%). Small cap stocks out ran larger stocks. (Russell 2000/1000 3.8% vs 2.5%).
- It was difficult to discern any real themes for this quarter. Energy stocks added to the strong returns of the first quarter, while new lows in interest rates pushed dividend stocks to new highs. Overall it felt like a wandering market looking for direction.

Portfolio Review:

- The portfolio fared relatively well by modestly outpacing the index for the quarter. Given our strong relative returns in the 1st quarter, we felt good about continuing the trend. The quarter end volatility helped our performance as investors became more risk conscious as Brexit clouded the outlook for global growth.
- In looking at factor returns, it was a mixed bag as our lower volatility profile was clearly rewarded while our favorable valuation characteristics were a drag on performance.
- Stock selection was generally positive for the quarter especially in Healthcare (J&J, Lab Corp and McKesson), which was the primary contributor to outperformance for the period. We did have some weak performers in Staples (CVS, Coke and Kroger) which is not altogether surprising given the very strong performance of the 1st quarter.
- We are particularly pleased to have outperformed for the 5 year ending period during which large growth stocks have led the market. Our “recipe” for returns was rewarded in this very strong period of stock returns.

Outlook:

- The market remains in a trading range which began in May 2015 when the S&P 500 made its last new high (2134). Since then we have moved in a relatively narrow band as investors digest the significant gains (+215%) of the bull market which began in March 2009.
- It is noteworthy that the annualized return for this 7+ year period is almost 18% which is approximately double the average long run return of stocks.
- Given these outsized returns, the current uncertainty of global growth and valuations above normal ranges, we have modest expectations for near term stock returns.
- Until we see evidence of either more robust growth or more favorable valuations, we will continue to emphasize our risk conscious tone of the portfolio.

Sawgrass Composite Portfolio versus Russell 1000 Growth (as of 2nd Qtr 2016):

What Helped:

Strong Stock Selection in Healthcare
Lower Volatility, Lower Beta

What Hurt:

Weak Stock Selection in Staples