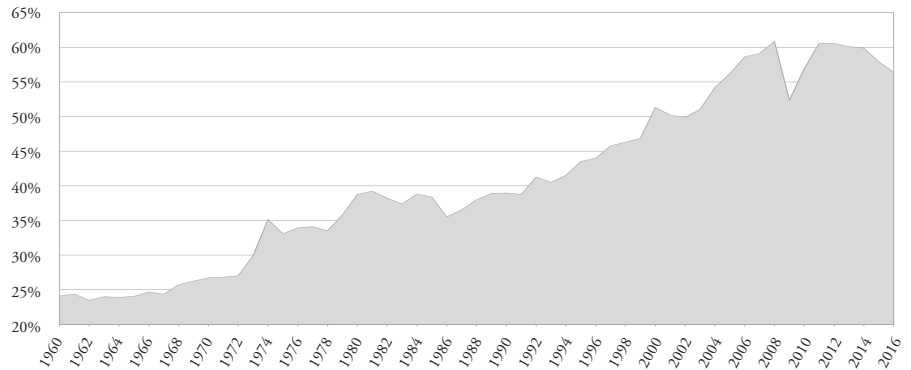


City of Ormond Beach Firefighters Pension - International Equity ADR Portfolio

The first quarter of 2018 was marked by the return of volatility following an extended period of rising equity markets. Although the global economy continues to expand, heightened trade tensions and rising interest rates resulting from less accommodative monetary policies caused equity markets to experience sharp swings during the quarter. Our benchmark, the MSCI ACWI ex U.S., finished the quarter down 1.3%, its first negative quarter since the end of 2016.

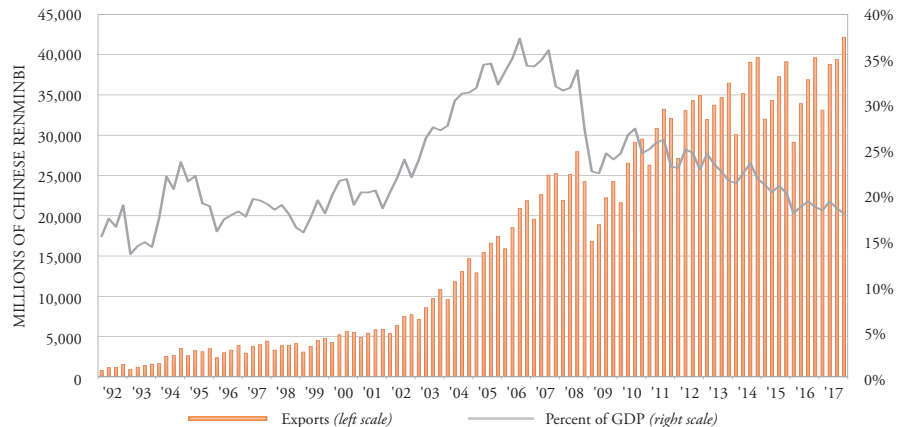
While trade contributed to less than 25% of the global economy in 1960, the increased adoption of free trade agreements has led to the removal of tariffs and opening of borders, resulting in an increased importance of trade to the global economy in recent years (CHART 1). However, trends are beginning to shift as protectionism is rising, which threatens this multi-decade source of global growth. In early March, President Trump declared tariffs on imports of steel and aluminum and directed his trade representative to level additional tariffs on \$50 billion worth of imports from China in response to alleged stealing of U.S. intellectual property. While Trump has said a trade war would be easy to win, the Chinese economy no longer depends on exports the way it once did (CHART 2). Furthermore, trade with China still plays an

CHART 1: Trade is of Increasing Importance to Global Economy
Trade as a Percentage of Global GDP



Data from 12/31/60–12/31/16
Source: World Bank

CHART 2: Chinese Exports on the Rise, But Shrinking in Importance to Economy



Data as of 12/31/17
Source: Thomson Reuters Datastream, National Bureau of Statistics of China, China Customs

important role in the U.S. economy (CHART 3). Tariffs implemented on imports from China would amount to a tax on the U.S. consumer while retaliatory tariffs, which China has

already announced, on U.S. goods imported to China could result in lost jobs in the U.S. What remains to be seen is if these announcements are a change in U.S. trade policy or if they

MARKET VALUE SUMMARY

Quarter Ending
3/31/18

Equities	\$1,776,440
Cash	\$16,589
Total Portfolio	\$1,793,028

PORTFOLIO PERFORMANCE⁽¹⁾⁽²⁾

Quarter Ending
3/31/18

Firefighters' Pension (net of fees)	0.6%
MSCI ACWI ex US Index ⁽³⁾	-1.3%

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

⁽²⁾All portfolio and benchmark returns stated through 3/29/18.

⁽³⁾Renaissance primary benchmark.

are a starting point for negotiations to improve the U.S. trade balance. The exemptions on the metal tariffs given to many U.S. allies along with an ongoing dialogue between Chinese and U.S. officials keep us hopeful that an all-out trade war will not occur.

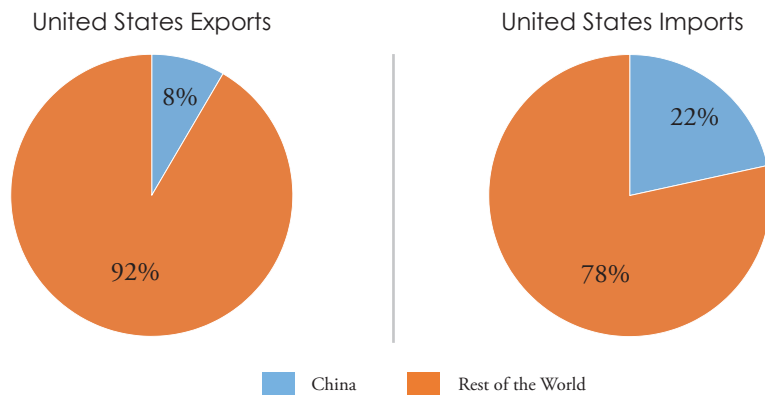
There were also positive signs on the trade front during the first quarter. The U.S. backed off some of its most severe demands, helping U.S., Canadian and Mexican negotiators inch closer to a reworked NAFTA agreement, while the U.S. and South Korea

quickly wrapped up a bilateral trade deal. Outside of the U.S., the Trans-Pacific Partnership (TPP), thought to be dead when President Trump backed the U.S. out of the deal, was signed by 11 nations. This could be a significant turning point in global trade as the U.S. shifts from a champion of free trade towards a more nationalistic approach to trade and geopolitics.

The U.S. dollar fell 2% during the quarter (according to the ICE U.S. Dollar Index) and is now 13% off its highs set near the end of 2016. A major reason for the dollar weakness is the deteriorating U.S. fiscal situation. While other countries, including many Western European nations, have improved their fiscal budgets with the help of austerity measures, the recent U.S. tax bill could add significantly to the federal deficit. This could cause the U.S. dollar to lose its safe haven status and result in the dollar depreciating further. Even with the recent underperformance of the U.S. dollar, U.S.-based international investors have nonetheless experienced a headwind over the past five years due to the sharp dollar rally in 2014 and 2015 (CHART 4).

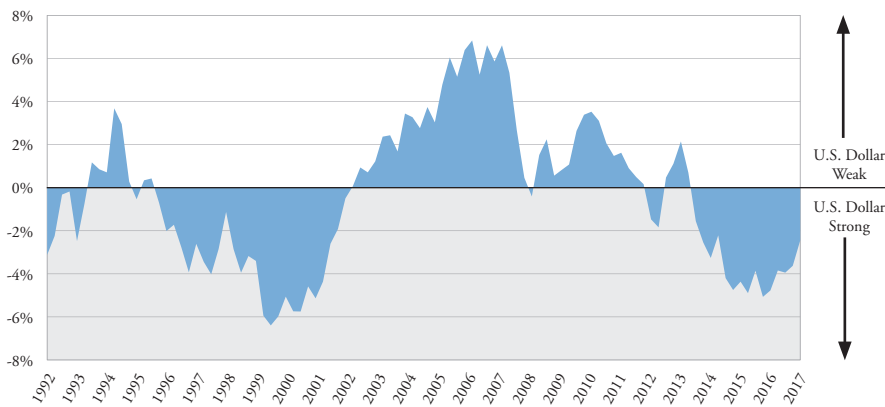
Although several recent economic data points announced during March came in below investors' expectations, the growth story that helped power stock markets higher in 2017 still appears to be on sound footing. While the Eurozone Economic Sentiment Indicator's March reading missed consensus forecasts, it remains at elevated levels that previously had not been seen since 2000, indicating that the Eurozone remains strong. In Japan, the easy-money "Abenomics" policies of Prime Minister Shinzo Abe have allowed GDP to grow for 12 consecutive quarters, its longest run without a negative quarter since before the global financial crisis in 2008 (CHART 5). However, while the Japanese economy is in good shape, repeated cronyism scandals

CHART 3: U.S. Trade



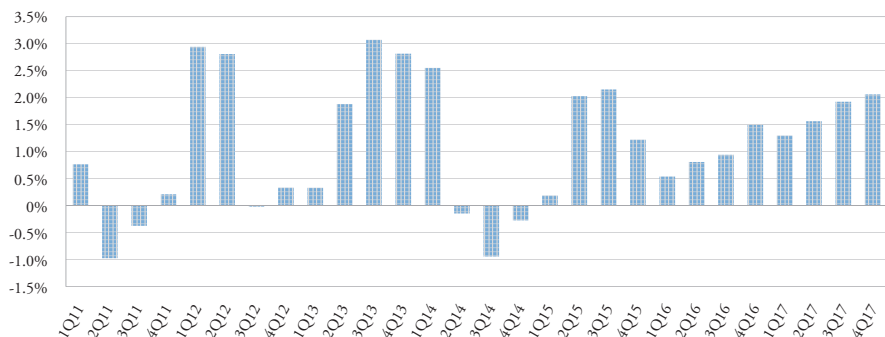
Data as of: 12/31/17
Source: International Monetary Fund

CHART 4: Rolling 5-Year Annualized Excess Returns: U.S. Dollar vs. Local Currency
MSCI ACWI ex US Index



Data as of 12/31/92–3/31/18
Source: Renaissance Research, FactSet, MSCI

CHART 5: Japanese Economy Improving
Percent Change in Real GDP vs. 12 Months Prior



Data as of 12/31/17
Source: FactSet, Japanese Cabinet Office

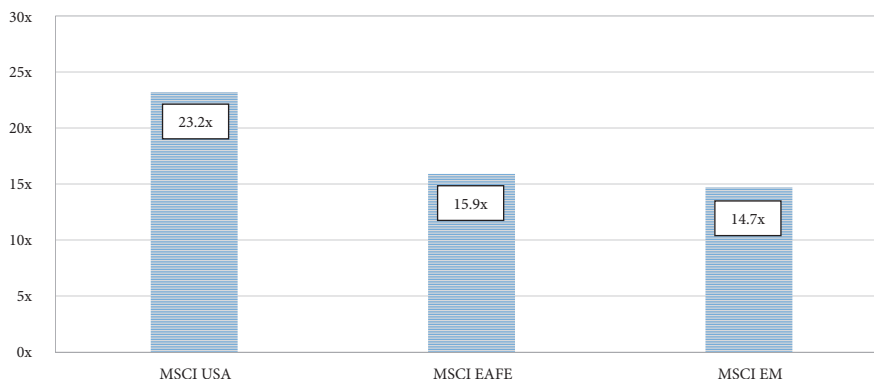
have caused Abe's approval rating to plummet. With party elections coming up for Abe's Liberal Democratic Party in September, a continuation of falling popularity could put Abe's possible third consecutive term as prime minister in jeopardy. A leadership change could hurt the momentum of "Abenomics" and would be a negative for a Japanese economy that appears to be on the cusp of breaking out of a decades-long battle with deflation.

Portfolio performance for the quarter was positive on both an absolute and relative basis. Our overweight towards emerging markets helped boost relative performance as emerging markets outperformed developed markets by nearly 3% during the first quarter, marking the fifth consecutive quarter of outperformance. Even with recent returns, emerging market valuations remain relatively favorable versus developed markets (CHART 6). Making the case even more attractive is that emerging markets are expected to continue to see higher GDP growth rates than developed markets.

Positive stock selection in developed markets was more than enough to offset negative selection in emerging markets. Within developed markets, the UK-based engineering company **GKN** (GKNLY, +50.3%) saw shares rise after a takeout offer was made by Melrose Industries. The company should be a beneficiary of increased adoption of electric vehicles (CHART 7), a major long-term theme that we are attempting to capitalize on in the portfolio. Stock selection in emerging markets was hurt by poor performance from **NetEase** (NTES, -18.7%) as the Chinese online gaming company saw margins fall due to changes in its sales mix and higher sales and marketing spending.

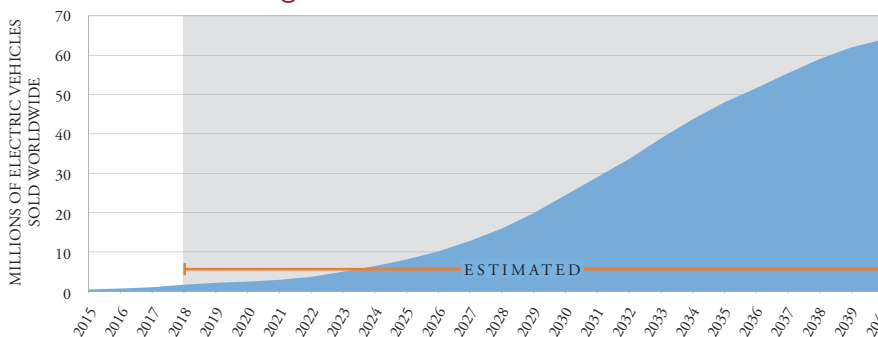
As the global economy continues to improve, central banks are beginning to transition away from the easy money policies of the past decade towards

CHART 6: U.S. Equities Trade at Premium to International Equities
Trailing 12-Month Price-to-Earnings Ratio



Data as of 3/31/18
Source: FactSet, MSCI

CHART 7: Electric Vehicle Sales Expected to Soar in Coming Years



Data as of 12/31/17
Source: Bloomberg New Energy Finance

CHART 8: Central Bankers Beginning to Raise Rates in Some Nations

	12/31/2016	Current as of 3/31/18	Change from 2016
United Kingdom (<i>Bank Rate</i>)	0.25%	0.50%	▲
United States (<i>Federal Funds</i>)	0.75%	1.75%	▲
Canada (<i>Target Rate</i>)	0.50%	1.25%	▲
China (<i>1 Year or Less Rate on RMB Loans</i>)	4.35%	4.35%	▬
Eurozone (<i>Main Refinancing Operations Minimum Base Rate</i>)	0.00%	0.00%	▬
Japan (<i>Policy Rate</i>)	-0.10%	-0.10%	▬
Brazil (<i>Target Selic Rate</i>)	13.75%	6.50%	▼

Data as of 3/31/18
Source: Thomson Reuters Datastream

tighter monetary policy. Several major central banks have already raised interest rates (CHART 8) while the European Central Bank (ECB) looks likely to end asset purchases in 2018 with the possibility of raising interest rates in 2019. We have been adding to the

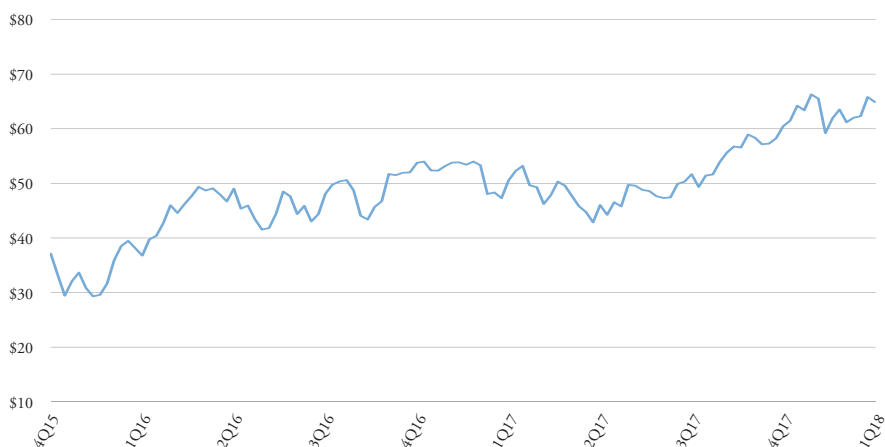
Financials sector since the end of 2016 in order to take advantage of rising interest rates, and it is now our largest single sector weight in the portfolio. **DBS Group** (DBSDY, +12.8%), a Singapore-based bank, was the top-performing holding within Financials

as higher interest rates began to flow through to its net interest margin, which rose 5 basis points quarter-over-quarter. On the downside, **AXA** (AXAHY, -10.4%) saw shares fall after the company announced a \$15 billion acquisition of reinsurer XL Group.

We have also increased our weighting to the Materials sector to capitalize on the strong global economy. While we had no exposure to the sector for a portion of 2015, the weighting in the portfolio has increased to nearly 13%. Our focus within Materials has been on chemical companies that produce value-added products. Higher raw material costs, including oil (CHART 9), hurt the profitability of some of these companies in 2017. However, this headwind could abate in 2018 as companies such as **Akzo Nobel** (AKZOY, +7.6%) are able to pass along their rising costs to customers in the form of higher prices. Negatively, the lack of an infrastructure spending bill in the U.S.

CHART 9: Oil Has Rallied Since 2015

Crude Oil—West Texas Intermediate, U.S. Dollars Per Barrel



Data from 12/31/15–3/31/18

Source: Thomson Reuters Datastream, Fathom Consulting

has hurt **CRH** (CRH, -4.1%) as additional infrastructure spending would increase demand for the company's concrete and cement.

While the global economy continues to look healthy, investors should remain aware of the risks facing the markets. The threat of a trade war, ele-

vated valuations in certain sectors and the tightening of monetary policy are all sources of uncertainty in the market that could lead to periods of volatility. As an active manager, we believe we are able to position the portfolio to take advantage of emerging long-term trends while mitigating risk.

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.

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City of Ormond Beach Firefighters 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>
DEVELOPED							
Canada							
CNI	Canadian National Railway	431	53.73	\$23,156	73.13	\$31,519	1.8%
MGA	Magna International	583	49.17	\$28,665	56.35	\$32,852	1.8%
MFC	Manulife Financial	1,592	19.44	\$30,950	18.58	\$29,579	1.6%
TECK	Teck Resources	1,440	23.75	\$34,195	25.76	\$37,094	2.1%
	TOTAL Canada			\$116,966		\$131,045	7.3%
Denmark							
PANDY	Pandora	1,398	21.29	\$29,769	26.80	\$37,471	2.1%
	TOTAL Denmark			\$29,769		\$37,471	2.1%
Finland							
SEOAY	Stora Enso OYJ	2,090	18.61	\$38,896	18.36	\$38,364	2.1%
	TOTAL Finland			\$38,896		\$38,364	2.1%
France							
ARKAY	Arkema	316	88.37	\$27,924	130.36	\$41,195	2.3%
AXAHY	AXA	1,033	30.93	\$31,948	26.58	\$27,457	1.5%
CGEMY	Capgemini	1,308	14.16	\$18,523	24.89	\$32,559	1.8%
RNLSY	Renault	1,550	19.95	\$30,930	24.23	\$37,553	2.1%
SNY	Sanofi	779	47.58	\$37,066	40.08	\$31,222	1.7%
SCRYY	SCOR	7,633	3.71	\$28,346	4.09	\$31,227	1.7%
VLEEY	Valeo	864	15.26	\$13,182	32.99	\$28,499	1.6%
	TOTAL France			\$187,918		\$229,712	12.8%
Germany							
AZSEY	Allianz	1,253	12.28	\$15,387	22.69	\$28,431	1.6%
DPSGY	Deutsche Post	700	36.27	\$25,386	43.97	\$30,779	1.7%
IFNNY	Infineon Technologies	1,250	16.36	\$20,449	26.74	\$33,421	1.9%
	TOTAL Germany			\$61,222		\$92,631	5.2%
Ireland							
CRH	CRH	1,080	35.86	\$38,725	34.02	\$36,742	2.0%
ICLR	ICON	309	66.95	\$20,686	118.14	\$36,505	2.0%
JAZZ	Jazz Pharmaceuticals	229	150.87	\$34,550	150.99	\$34,577	1.9%
RYAAY	Ryanair	284	76.26	\$21,657	122.85	\$34,889	1.9%
	TOTAL Ireland			\$115,618		\$142,713	8.0%
Israel							
CHKP	Check Point Software Technologies	330	55.16	\$18,203	99.34	\$32,782	1.8%
	TOTAL Israel			\$18,203		\$32,782	1.8%
Japan							
BRDCY	Bridgestone	1,402	19.18	\$26,894	21.76	\$30,505	1.7%
KDDIY	KDDI	2,688	11.52	\$30,968	12.72	\$34,191	1.9%
MIELY	Mitsubishi Electric	913	27.62	\$25,219	31.96	\$29,180	1.6%
NTTY	Nippon Telephone & Telegraph	724	33.41	\$24,192	46.09	\$33,371	1.9%
IX	Orix	351	83.02	\$29,140	89.86	\$31,541	1.8%
SMCAY	SMC Corp.	1,379	13.06	\$18,012	20.02	\$27,613	1.5%
SNE	Sony	662	50.90	\$33,694	48.34	\$32,001	1.8%
TRYIY	Toray Industries	2,039	17.79	\$36,271	18.83	\$38,384	2.1%
	TOTAL Japan			\$224,390		\$256,787	14.3%
Netherlands							
AER	AerCap Holdings	634	22.70	\$14,392	50.72	\$32,156	1.8%
AKZOY	Akzo Nobel	1,340	24.90	\$33,372	31.46	\$42,156	2.4%
NXPI	NXP Semiconductors	287	109.60	\$31,456	117.00	\$33,579	1.9%

City of Ormond Beach Firefighters Pension - International Equity ADR Portfolio

Ticker	Security Description	Shares/Face	Unit Cost	Total Cost	Price	Market Value	% of Total Assets
TOTAL Netherlands				\$79,221		\$107,892	6.0%
Singapore							
DBSDY	DBS Group	377	58.88	\$22,197	83.89	\$31,625	1.8%
UOVEY	United Overseas Bank	804	42.25	\$33,968	41.94	\$33,722	1.9%
TOTAL Singapore				\$56,164		\$65,347	3.6%
Spain							
ACSAY	ACS	4,165	7.93	\$33,013	7.79	\$32,425	1.8%
TOTAL Spain				\$33,013		\$32,425	1.8%
United Kingdom							
CUK	Carnival plc	491	59.78	\$29,353	65.50	\$32,161	1.8%
FERGY	Ferguson	4,414	7.82	\$34,526	7.58	\$33,436	1.9%
GKNLY	GKN plc	5,562	4.93	\$27,422	6.50	\$36,125	2.0%
PSMMY	Persimmon	469	53.56	\$25,120	70.98	\$33,291	1.9%
TOTAL United Kingdom				\$116,421		\$135,012	7.5%
TOTAL DEVELOPED				\$1,077,801		\$1,302,181	72.6%
EMERGING							
China							
BIDU	Baidu	134	244.15	\$32,716	223.19	\$29,907	1.7%
CICHY	China Construction Bank	1,564	22.89	\$35,803	20.54	\$32,125	1.8%
CEA	China Eastern Airlines	782	31.37	\$24,532	36.80	\$28,778	1.6%
NTES	NetEase	105	149.91	\$15,740	280.39	\$29,441	1.6%
YY	YY Inc.	283	116.21	\$32,888	105.20	\$29,772	1.7%
TOTAL China				\$141,679		\$150,022	8.4%
Hong Kong							
WHGLY	WH Group	1,477	13.17	\$19,445	21.30	\$31,466	1.8%
TOTAL Hong Kong				\$19,445		\$31,466	1.8%
Mexico							
BSMX	Banco Santander Mexico	4,451	8.11	\$36,079	7.17	\$31,914	1.8%
TOTAL Mexico				\$36,079		\$31,914	1.8%
Russia							
LUKOY	Lukoil	989	55.51	\$54,904	69.22	\$68,459	3.8%
TOTAL Russia				\$54,904		\$68,459	3.8%
South Korea							
KB	KB Financial	548	46.59	\$25,532	57.94	\$31,751	1.8%
SKM	SK Telecom	1,220	21.29	\$25,973	24.17	\$29,487	1.6%
TOTAL South Korea				\$51,505		\$61,239	3.4%
Taiwan							
ASX	Advanced Semiconductor Engineering	4,773	5.69	\$27,171	7.26	\$34,652	1.9%
TSM	Taiwan Semiconductor Manufacturing	784	14.36	\$11,260	43.76	\$34,308	1.9%
TOTAL Taiwan				\$38,431		\$68,960	3.8%
Thailand							
KPCPY	Kasikornbank	1,174	28.28	\$33,198	27.12	\$31,838	1.8%
TOTAL Thailand				\$33,198		\$31,838	1.8%
Turkey							
TKC	Turkcell Iletisim Hizmetleri	3,176	9.80	\$31,131	9.56	\$30,363	1.7%
TOTAL Turkey				\$31,131		\$30,363	1.7%
TOTAL EMERGING				\$406,373		\$474,259	26.5%

Portfolio Holdings as of 3/31/2018

City of Ormond Beach Firefighters 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 EQUITIES			\$1,484,174		\$1,776,440	99.1%
	Total Cash			\$16,589		\$16,589	0.9%
	Total Portfolio			\$1,500,762		\$1,793,028	100.0%
	Accrued Income					\$2,267	
	Total Portfolio plus Accrued Income					\$1,795,295	

City of Ormond Beach Firefighters Pension - International Equity ADR Portfolio

Broker	Shares	Value	Cents Per Share	Commission Recapture	Directed	Execution Only	Minority	Research	Soft Dollar	Total Commission
Cowen & Company	4,617	42,017	2.00	0.00	0.00	92.34	0.00	0.00	0.00	92.34
Instinet	202	30,328	1.00	0.00	0.00	2.02	0.00	0.00	0.00	2.02
Jefferies	2,979	95,741	1.50	0.00	0.00	44.69	0.00	0.00	0.00	44.69
Liquidnet	6,358	36,008	1.50	0.00	0.00	95.37	0.00	0.00	0.00	95.37
Lynch, Jones, and Ryan	27,180	595,179	5.00	1,359.00	0.00	0.00	0.00	0.00	0.00	1,359.00
NatAlliance Securities	1,938	44,270	1.50	0.00	0.00	29.08	0.00	0.00	0.00	29.08
TOTALS	43,274	843,542	3.75	1,359.00	0.00	263.50	0.00	0.00	0.00	1,622.50