

**CITY OF OCALA
TREASURY INVESTMENT FUND**

**PERFORMANCE REVIEW
JUNE 30, 2016**

**John J. Griffith
Senior Investment Consultant**

**B. John Frady
Investment Consultant**

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IMPORTANT DISCLAIMER INFORMATION

This report has been created as a courtesy for the clients of CapTrust Advisors, LLC.

The information contained herein was taken from sources believed to be reliable, but no representation or warranty is made as to its accuracy or completeness.

Performance Comparison Page Information:

Shaded areas represent where the investment objective was achieved either by:

- 1) The investment return versus the index;
- 2) The investment return universe ranking (The lower the number the better the ranking)

Due to methodologies utilized by our systems, the performance results presented are calculated and presented beginning on the last day of an account's inception month. Results do not include the interim period from an account's inception date to an account's first month-end. For example, for an account that has an inception date of March 15, this report begins measuring performance as of March 31. Omission of performance during this interim period is likely to result in different performance figures than if the interim period's performance was included in this report.

When applicable, any investment results depicted represent historical net of fees performance.

Past performance is no guarantee of future performance.

This report is not the official record of your account. However, it has been prepared to assist you with your investment planning and is for information purposes only. Your Client Statement is the official record of your account. Therefore, if there are any discrepancies between this report and your Client Statement, you should rely on the Client Statement and call your Financial Advisor if you have any questions. Transactions requiring tax consideration should be reviewed carefully with your accountant or tax advisor. This is not a substitute for your own records and the year-end 1099 form. Cost data and acquisition dates provided by you are not verified by CapTrust Advisors, LLC.

Indices are unmanaged and you cannot invest directly in an index.

For index definitions, please see the Capital Markets Review.

Due to inaccuracies in the BNY Mellon custodial statements, SEIX Investment Advisors has provided the market values for 4/30/2015, 5/31/2015 and 6/30/2015.

Index	QTR	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Domestic Fixed Income						
3 month T-Bill	0.07%	0.15%	0.19%	0.09%	0.09%	1.04%
Barclays Capital 1-3 year Gov't	0.52%	1.42%	1.31%	1.00%	0.84%	2.54%
Barclays Capital Interm Gov't	1.24%	3.55%	3.93%	2.41%	2.31%	4.07%
Barclays Capital Interm Credit	2.12%	4.88%	4.97%	3.88%	3.96%	5.38%
Barclays Capital Interm Govt/Cred	1.59%	4.07%	4.33%	2.95%	2.90%	4.48%
Barclays Capital Aggregate Bond	2.21%	5.31%	6.00%	4.06%	3.76%	5.13%
Domestic Equity						
Standard & Poor's 500	2.46%	3.84%	3.99%	11.66%	12.10%	7.42%
Dow Jones Industrial Average	2.07%	4.31%	4.50%	8.99%	10.41%	7.66%
Wilshire 5000 Total Market	2.78%	3.98%	2.96%	11.26%	11.64%	7.46%
Wilshire US REIT	5.60%	11.09%	22.82%	13.63%	12.48%	6.99%
Russell 1000 - Large Cap	2.54%	3.74%	2.93%	11.48%	11.88%	7.51%
Russell 1000 Growth - Large Cap	0.61%	1.36%	3.02%	13.07%	12.35%	8.78%
Russell 1000 Value - Large Cap	4.58%	6.30%	2.86%	9.87%	11.35%	6.13%
Russell Midcap	3.18%	5.50%	0.56%	10.80%	10.90%	8.07%
Russell Midcap Growth	1.56%	2.15%	-2.14%	10.52%	9.98%	8.12%
Russell Midcap Value	4.77%	8.87%	3.25%	11.00%	11.70%	7.79%
Russell 2000 - Small Cap	3.79%	2.22%	6.73%	7.09%	8.35%	6.20%
Russell 2000 Growth - Small Cap	3.24%	-1.59%	-10.75%	7.74%	8.51%	7.14%
Russell 2000 Value - Small Cap	4.31%	6.08%	-2.58%	6.36%	8.15%	5.15%
International Equity						
MSCI World	1.01%	0.66%	-2.78%	6.95%	6.63%	4.43%
MSCI EAFE	-1.46%	-4.42%	-10.16%	2.06%	1.68%	1.58%
MSCI ACWI ex US	-0.64%	-1.02%	-10.24%	1.16%	0.10%	1.87%
MSCI EM	0.66%	6.41%	-12.06%	-1.56%	-3.78%	3.54%
Blended Benchmarks						
25% S&P 500 / 5% MSCI EAFE / 70% Barclays Agg	2.09%	4.46%	4.69%	5.86%	5.74%	5.53%
30% S&P 500 / 10% MSCI EAFE / 60% Barclays Agg	1.92%	3.90%	3.78%	6.14%	6.06%	5.47%
35% S&P 500 / 15% MSCI EAFE / 50% Barclays Agg	1.75%	3.34%	2.87%	6.42%	6.37%	5.40%
40% S&P 500 / 20% MSCI EAFE / 40% Barclays Agg	1.58%	2.77%	1.96%	6.70%	6.68%	5.34%
45% S&P 500 / 25% MSCI EAFE / 30% Barclays Agg	1.40%	2.21%	1.06%	6.98%	6.99%	5.28%

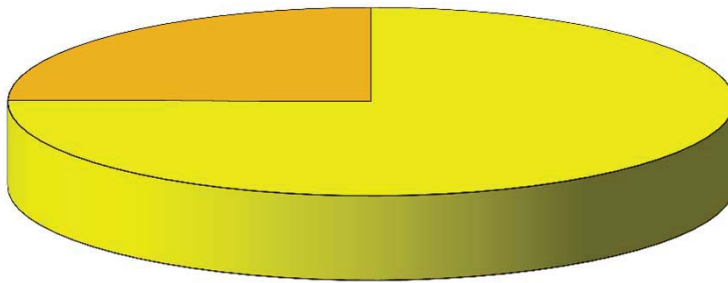
This and/or the accompanying information was prepared by or obtained from sources which Wells Fargo Advisors believes to be reliable but does not guarantee its accuracy. Please see important disclosure and reference information at the conclusion of this report. Past performance is not indicative of future results.

Data Sources: Morningstar

Data provided by sources believed to be reliable but no guarantee is made as to its accuracy. Past performance is no guarantee of future performance.

City of Ocala
 Fixed Income Composite
 Portfolio Allocation as of June 30, 2016

Portfolio Actual Allocation



Asset Class	Value	Actual (%)
■ Fixed Income	182,992,987	75.21%
PFM	51,479,759	21.16%
Sawgrass	75,140,482	30.88%
SEIX	56,372,746	23.17%
■ Money Market	60,308,614	24.79%
Florida Local Government Investment	5,040,937	2.07%
Florida Prime	23,563,761	9.69%
SunTrust Checking Account	31,703,916	13.03%
	243,301,600	100.00%

*See disclaimer page.

City of Ocala
Fixed Income Composite
Executive Summary as of June 30, 2016

Account Reconciliation

	06/30/2016 QTR	2016 Fiscal YTD	06/30/1998 Incept
Beginning Value	181,034,937	179,081,366	69,757,606
Net Flows	38,779	115,058	22,648,638
Investment G/L	1,919,271	3,796,563	90,586,743
Ending Value	182,992,987	182,992,987	182,992,987

Investment Policy

Index	Weight
Merrill Lynch US Corp & Govt 1-5 YRS	40.00
ML Unsub. Treas/Agenc. 1-3	30.00
ML US Domestic Master 1-10 Years	30.00

Trailing Returns Through June 30, 2016

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	06/30/1998 Incept
Account	2.66	1.98	2.01	1.64	1.96	2.08	2.55	3.08	3.51	3.73	4.26
Policy	2.74	2.05	2.05	1.57	1.81	1.96	2.39	2.70	3.21	3.44	4.06
Diff	-0.07	-0.07	-0.04	0.07	0.15	0.12	0.15	0.38	0.30	0.29	0.20

Fiscal Year Returns Ending September

	QTR	2016 YTD	2015	2014	2013	2012	2011	2010	2009	2008	2007
Account	1.06	2.12	1.85	1.53	0.10	3.17	2.21	4.92	9.36	4.03	5.80
Policy	0.98	2.09	2.03	1.48	-0.06	2.28	2.35	4.79	6.85	4.45	5.80
Diff	0.08	0.03	-0.18	0.05	0.16	0.89	-0.15	0.13	2.51	-0.43	-0.01

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	3.0	2.9	2.8	4.9
Policy	3.2	3.0	2.7	4.6
Ratio	91.5	96.1	105.2	106.3

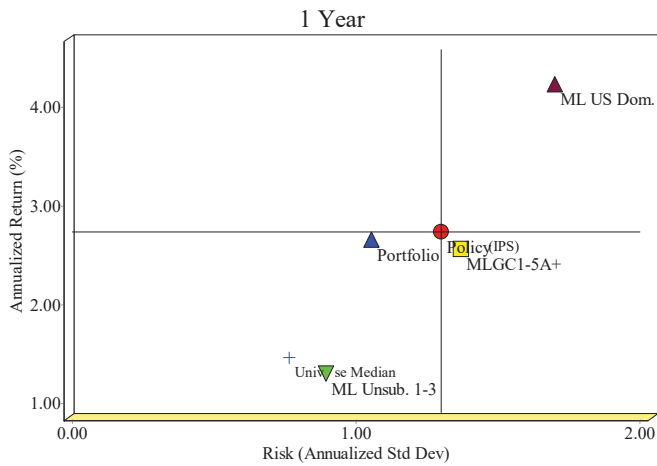
Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.3	-0.5	-1.3	-1.5
Policy	-0.5	-0.6	-1.5	-1.9
Ratio	60.4	77.2	87.4	83.4

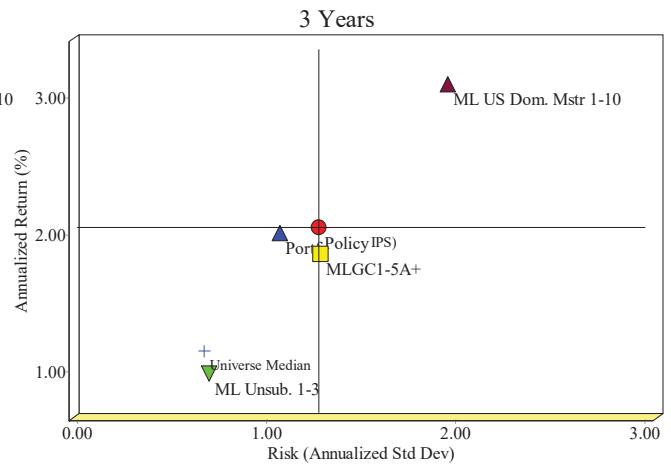
Fiscal year ends in September.
Returns for periods exceeding one year are annualized. Returns are net time weighted return.
Please see Appendix for page explanations.

City of Ocala Fixed Income Composite

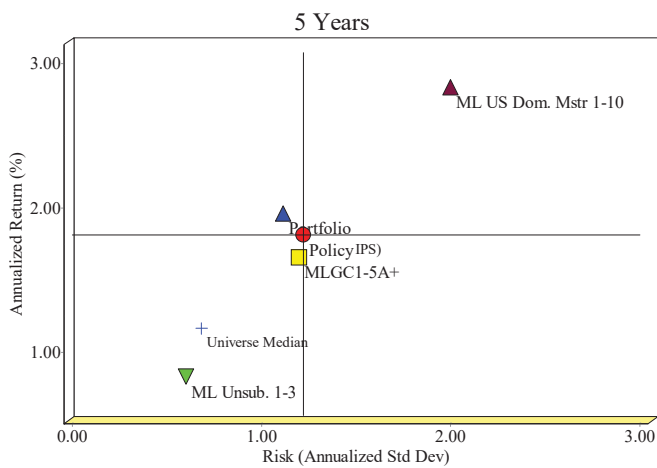
Return vs Risk as of June 30, 2016



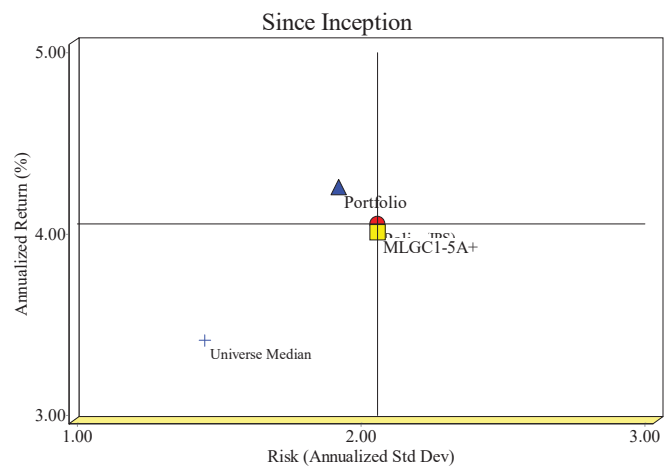
	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	2.66	1.05	0.46	0.79	95.97
● Policy	2.74	1.30	0.00	1.00	100.00
■ MLGC1-5A+	2.57	1.37	-0.29	1.05	98.69
▼ ML Unsub. 1-3	1.30	0.89	-0.58	0.68	97.34
▲ ML US Dom. Mstr 1-10	4.23	1.70	0.72	1.29	95.96



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	2.01	1.07	0.30	0.83	97.04
● Policy	2.05	1.28	0.00	1.00	100.00
■ MLGC1-5A+	1.86	1.29	-0.18	0.99	97.50
▼ ML Unsub. 1-3	0.99	0.70	-0.09	0.51	87.94
▲ ML US Dom. Mstr 1-10	3.10	1.96	0.05	1.50	94.67



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	1.96	1.12	0.38	0.87	90.09
● Policy	1.81	1.22	0.00	1.00	100.00
■ MLGC1-5A+	1.66	1.20	-0.09	0.97	96.53
▼ ML Unsub. 1-3	0.83	0.60	-0.01	0.45	83.28
▲ ML US Dom. Mstr 1-10	2.84	2.00	-0.02	1.60	94.70



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	4.26	1.92	0.37	0.91	94.50
● Policy	4.06	2.06	0.00	1.00	100.00
■ MLGC1-5A+	4.01	2.06	-0.04	1.00	99.63
▼ ML Unsub. 1-3	N/A	N/A	N/A	N/A	N/A
▲ ML US Dom. Mstr 1-10	N/A	N/A	N/A	N/A	N/A

City of Ocala Fixed Income Composite

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	4.00	5.00	-1.00
Positive Periods	8.00	7.00	1.00
Batting Average	50.00	50.00	0.00
Worst Qtr	-0.30	-0.49	0.20
Best Qtr	1.35	1.60	-0.25
Range	1.65	2.09	-0.44
Worst 4 Qtrs	2.66	2.74	-0.07
Standard Deviation	1.05	1.30	-0.25
Beta	0.79	1.00	-0.21
Alpha	0.46	0.00	0.46
R-Squared	95.97	100.00	-4.03
Sharpe Ratio	2.40	2.00	0.40
Treynor Ratio	3.19	2.60	0.59
Tracking Error	0.34	0.00	0.34
Information Ratio	-0.22	0.00	-0.22

3 Years	Fund	Policy	Diff
Negative Periods	12.00	14.00	-2.00
Positive Periods	24.00	22.00	2.00
Batting Average	41.67	58.33	-16.67
Worst Qtr	-0.30	-0.49	0.20
Best Qtr	1.35	1.60	-0.25
Range	1.65	2.09	-0.44
Worst 4 Qtrs	1.31	1.37	-0.07
Standard Deviation	1.07	1.28	-0.21
Beta	0.83	1.00	-0.17
Alpha	0.30	0.00	0.30
R-Squared	97.04	100.00	-2.96
Sharpe Ratio	1.82	1.56	0.26
Treynor Ratio	2.36	1.99	0.37
Tracking Error	0.29	0.00	0.29
Information Ratio	-0.14	0.00	-0.14

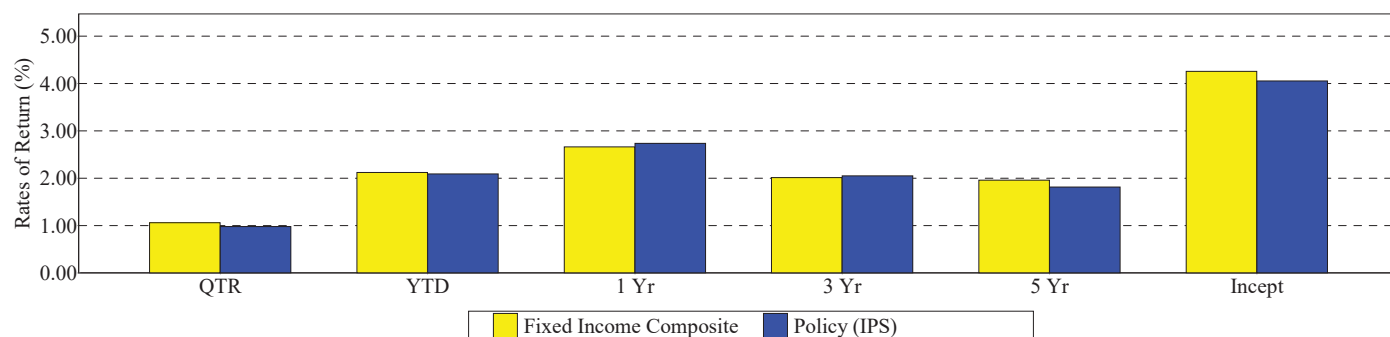
5 Years	Fund	Policy	Diff
Negative Periods	18.00	23.00	-5.00
Positive Periods	42.00	37.00	5.00
Batting Average	55.00	45.00	10.00
Worst Qtr	-0.83	-0.88	0.05
Best Qtr	1.35	1.60	-0.25
Range	2.18	2.48	-0.30
Worst 4 Qtrs	0.53	0.13	0.41
Standard Deviation	1.12	1.22	-0.11
Beta	0.87	1.00	-0.13
Alpha	0.38	0.00	0.38
R-Squared	90.09	100.00	-9.91
Sharpe Ratio	1.70	1.43	0.27
Treynor Ratio	2.19	1.75	0.44
Tracking Error	0.39	0.00	0.39
Information Ratio	0.38	0.00	0.38

Since Inception	Fund	Policy	Diff
Negative Periods	52.00	61.00	-9.00
Positive Periods	164.00	155.00	9.00
Batting Average	59.72	40.28	19.44
Worst Qtr	-1.71	-1.73	0.02
Best Qtr	4.32	4.19	0.13
Range	6.03	5.92	0.11
Worst 4 Qtrs	-0.04	0.13	-0.17
Standard Deviation	1.92	2.06	-0.14
Beta	0.91	1.00	-0.09
Alpha	0.37	0.00	0.37
R-Squared	94.50	100.00	-5.50
Sharpe Ratio	1.18	1.00	0.18
Treynor Ratio	2.49	2.06	0.42
Tracking Error	0.47	0.00	0.47
Information Ratio	0.41	0.00	0.41

Please see Appendix for page explanations.

City of Ocala Fixed Income Composite

Performance Summary Through June 30, 2016



	QTR	YTD	1 Yr	3 Yr	5 Yr	Incept	Inception Date	Current Assets
Net Time Weighted Return	1.06	2.12	2.66	2.01	1.96	4.26	06/30/1998	\$182,992,987
Policy (IPS)	0.98	2.09	2.74	2.05	1.81	4.06		
%-tile	6	5	6	8	11	2		

(40% Merrill Lynch US Corp & Govt 1-5 YRS, 30% ML Unsub. Treas/Agec. 1-3, 30% ML US Domestic Master 1-10 Years, established 10/2013)

PFM Group - Fixed Income

Net Time Weighted Return	0.60	1.27	1.61	1.16	1.05	3.05	07/31/2003	\$51,479,759
Policy	0.52	0.98	1.30	0.99	0.87	2.74		
%-tile	42	42	39	49	54	19		

(100% ML Unsub. Treas/Agec. 1-3, established 10/2013)

Sawgrass Asset Management - Fixed Income

Net Time Weighted Return	0.97	1.80	2.21	1.71	1.75	4.21	06/30/1998	\$75,140,482
Policy	0.98	2.05	2.65	1.97	1.72	4.08		
%-tile	13	18	16	17	15	4		

(100% Merrill Lynch US Corp & Govt 1-5 YRS, established 10/2013)

SEIX Investment Advisors - Fixed Income

Net Time Weighted Return	1.61	3.35	4.26	3.25	3.15	3.70	07/31/2003	\$56,372,746
Policy	1.44	3.26	4.31	3.23	2.92	3.51		
%-tile	59	65	62	51	60	29		

(100% ML US Domestic Master 1-10 Years, established 10/2013)

Fiscal Year ends in September.

Returns for periods exceeding one year are annualized.

City of Ocala
PFM Group - Fixed Income
Executive Summary as of June 30, 2016

Account Reconciliation

	06/30/2016 QTR	2016 Fiscal YTD	07/31/2003 Incept
Beginning Value	51,162,517	50,799,766	29,076,413
Net Flows	11,046	32,870	7,011,686
Investment G/L	306,196	647,123	15,391,660
Ending Value	51,479,759	51,479,759	51,479,759

Investment Policy

Index	Weight
ML Unsub. Treas/Agcc. 1-3	100.00

Trailing Returns Through June 30, 2016

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	07/31/2003 Incept
Account	1.61	1.23	1.16	0.97	1.05	1.31	1.91	2.64	3.15	3.40	3.05
Policy	1.30	1.09	0.99	0.82	0.87	1.12	1.75	2.15	2.69	2.97	2.74
Diff	0.31	0.14	0.17	0.15	0.18	0.20	0.16	0.49	0.46	0.43	0.31

Fiscal Year Returns Ending September

	QTR	2016 YTD	2015	2014	2013	2012	2011	2010	2009	2008	2007
Account	0.60	1.27	1.16	0.73	0.23	1.55	1.49	5.08	9.47	4.96	5.99
Policy	0.52	0.98	1.17	0.52	0.37	0.63	1.45	4.97	7.61	4.08	5.74
Diff	0.08	0.29	-0.01	0.21	-0.14	0.92	0.03	0.11	1.86	0.88	0.25

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	1.8	1.4	1.2	4.1
Policy	1.7	1.2	1.2	3.8
Ratio	106.1	109.2	107.2	107.8

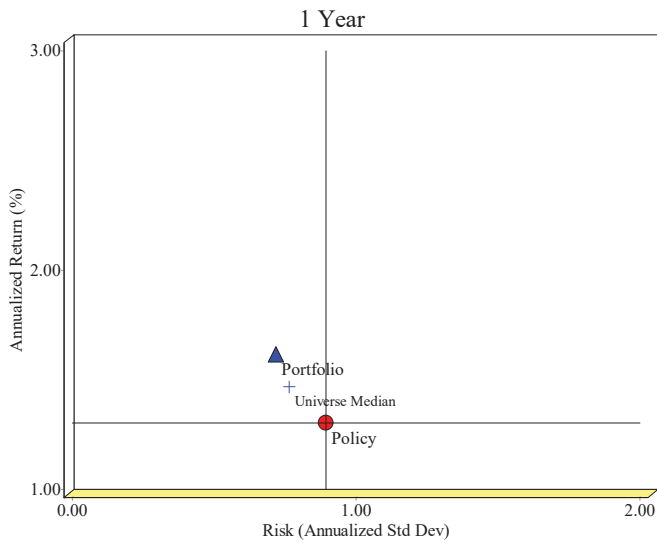
Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.2	-0.2	0.0	-0.4
Policy	-0.4	-0.4	-0.6	-1.6
Ratio	53.2	53.2	5.5	27.8

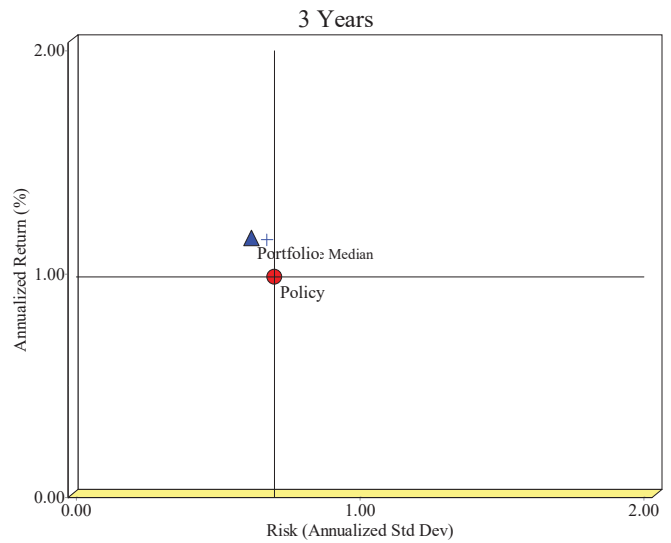
Fiscal year ends in September.
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Please see Appendix for page explanations.

City of Ocala PFM Group - Fixed Income

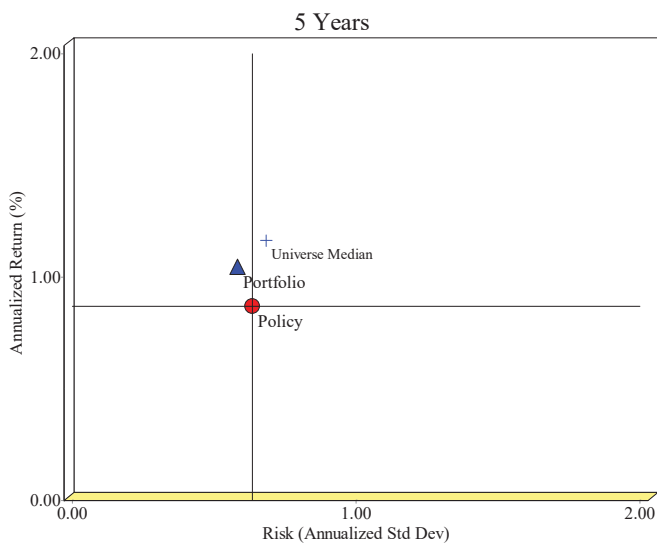
Return vs Risk as of June 30, 2016



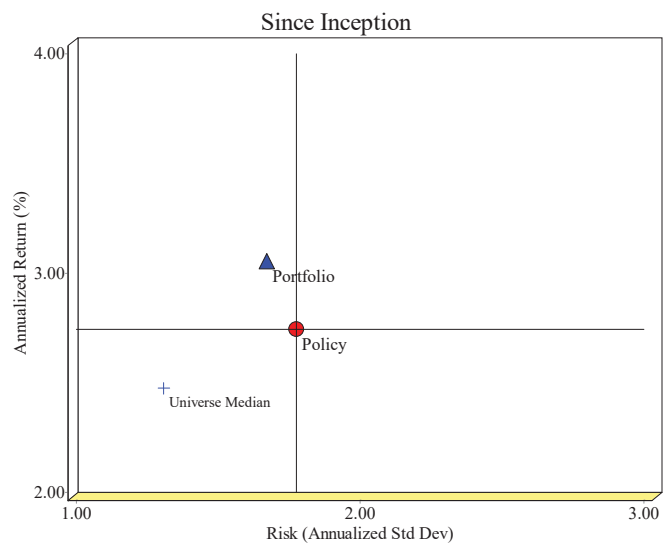
	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	1.61	0.72	0.57	0.77	93.62
● Policy	1.30	0.89	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	1.16	0.62	0.31	0.85	92.21
● Policy	0.99	0.70	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	1.05	0.58	0.33	0.81	77.33
● Policy	0.87	0.64	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	3.05	1.67	0.46	0.89	89.70
● Policy	2.74	1.78	0.00	1.00	100.00

City of Ocala
PFM Group - Fixed Income

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	4.00	5.00	-1.00
Positive Periods	8.00	7.00	1.00
Batting Average	100.00	0.00	100.00
Worst Qtr	-0.23	-0.43	0.20
Best Qtr	0.90	0.90	0.01
Range	1.13	1.33	-0.20
Worst 4 Qtrs	1.61	1.30	0.31
Standard Deviation	0.72	0.89	-0.18
Beta	0.77	1.00	-0.23
Alpha	0.57	0.00	0.57
R-Squared	93.62	100.00	-6.38
Sharpe Ratio	2.06	1.30	0.75
Treynor Ratio	1.91	1.16	0.74
Tracking Error	0.27	0.00	0.27
Information Ratio	1.14	0.00	1.14

3 Years	Fund	Policy	Diff
Negative Periods	13.00	13.00	0.00
Positive Periods	23.00	23.00	0.00
Batting Average	75.00	25.00	50.00
Worst Qtr	-0.23	-0.43	0.20
Best Qtr	0.90	0.90	0.01
Range	1.13	1.33	-0.20
Worst 4 Qtrs	0.85	0.78	0.07
Standard Deviation	0.62	0.70	-0.08
Beta	0.85	1.00	-0.15
Alpha	0.31	0.00	0.31
R-Squared	92.21	100.00	-7.79
Sharpe Ratio	1.77	1.32	0.45
Treynor Ratio	1.29	0.92	0.37
Tracking Error	0.20	0.00	0.20
Information Ratio	0.85	0.00	0.85

5 Years	Fund	Policy	Diff
Negative Periods	19.00	20.00	-1.00
Positive Periods	41.00	40.00	1.00
Batting Average	70.00	30.00	40.00
Worst Qtr	-0.26	-0.43	0.17
Best Qtr	0.90	0.90	0.01
Range	1.17	1.33	-0.16
Worst 4 Qtrs	0.39	0.33	0.06
Standard Deviation	0.58	0.64	-0.05
Beta	0.81	1.00	-0.19
Alpha	0.33	0.00	0.33
R-Squared	77.33	100.00	-22.67
Sharpe Ratio	1.69	1.27	0.42
Treynor Ratio	1.22	0.80	0.41
Tracking Error	0.30	0.00	0.30
Information Ratio	0.58	0.00	0.58

Since Inception	Fund	Policy	Diff
Negative Periods	46.00	46.00	0.00
Positive Periods	109.00	109.00	0.00
Batting Average	61.54	38.46	23.08
Worst Qtr	-1.58	-1.71	0.13
Best Qtr	5.09	3.04	2.04
Range	6.66	4.75	1.91
Worst 4 Qtrs	0.23	0.37	-0.14
Standard Deviation	1.67	1.78	-0.10
Beta	0.89	1.00	-0.11
Alpha	0.46	0.00	0.46
R-Squared	89.70	100.00	-10.30
Sharpe Ratio	1.06	0.83	0.24
Treynor Ratio	2.00	1.47	0.53
Tracking Error	0.56	0.00	0.56
Information Ratio	0.53	0.00	0.53

Please see Appendix for page explanations.

City of Ocala
Sawgrass Asset Management - Fixed Income

Executive Summary as of June 30, 2016

Account Reconciliation

	06/30/2016 QTR	2016 Fiscal YTD	06/30/1998 Incept
Beginning Value	74,402,407	73,768,754	69,757,606
Net Flows	15,612	46,549	-50,078,579
Investment G/L	722,462	1,325,179	55,461,455
Ending Value	75,140,482	75,140,482	75,140,482

Investment Policy

Index	Weight
Merrill Lynch US Corp & Govt 1-5 YRS	100.00

Trailing Returns Through June 30, 2016

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	06/30/1998 Incept
Account	2.21	1.67	1.71	1.46	1.75	1.90	2.35	2.92	3.34	3.59	4.21
Policy	2.65	1.99	1.97	1.58	1.72	1.88	2.41	2.73	3.21	3.44	4.08
Diff	-0.44	-0.32	-0.26	-0.12	0.02	0.02	-0.06	0.18	0.14	0.15	0.13

Fiscal Year Returns Ending September

	QTR	2016 YTD	2015	2014	2013	2012	2011	2010	2009	2008	2007
Account	0.97	1.80	1.58	1.22	0.27	3.34	1.64	4.79	9.64	3.71	5.75
Policy	0.98	2.05	2.01	1.25	0.22	2.21	1.99	4.97	7.61	4.08	5.74
Diff	-0.01	-0.25	-0.42	-0.02	0.05	1.14	-0.34	-0.19	2.03	-0.37	0.01

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	2.5	2.2	2.3	4.6
Policy	3.2	2.6	2.4	4.5
Ratio	77.6	83.1	97.2	102.7

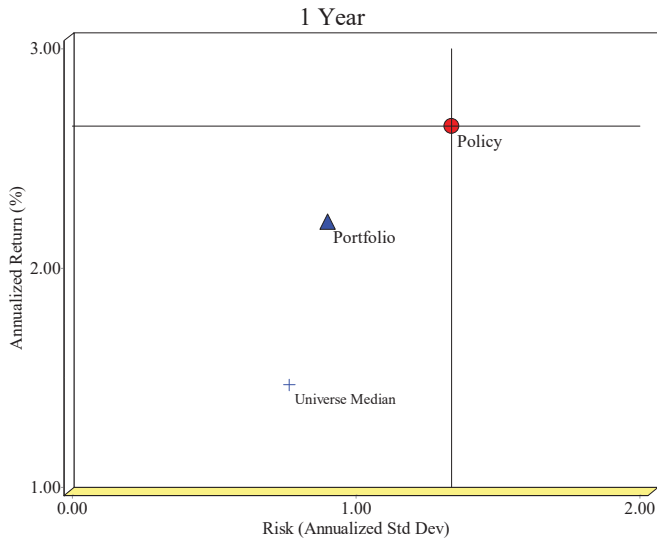
Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.3	-0.3	-1.0	-1.8
Policy	-0.5	-0.6	-1.4	-2.1
Ratio	49.8	49.6	72.5	84.6

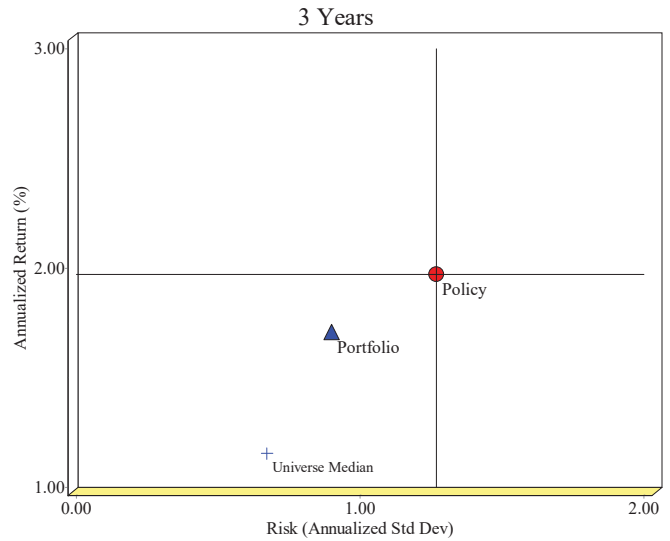
Fiscal year ends in September.
Returns for periods exceeding one year are annualized. Returns are net time weighted return.
Please see Appendix for page explanations.

City of Ocala Sawgrass Asset Management - Fixed Income

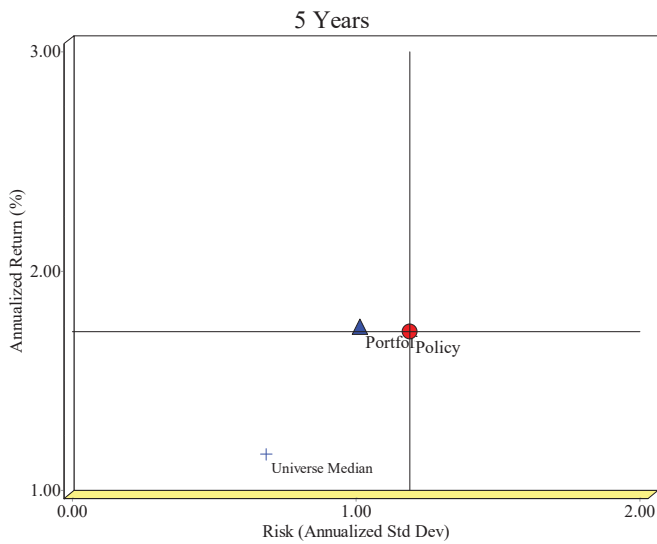
Return vs Risk as of June 30, 2016



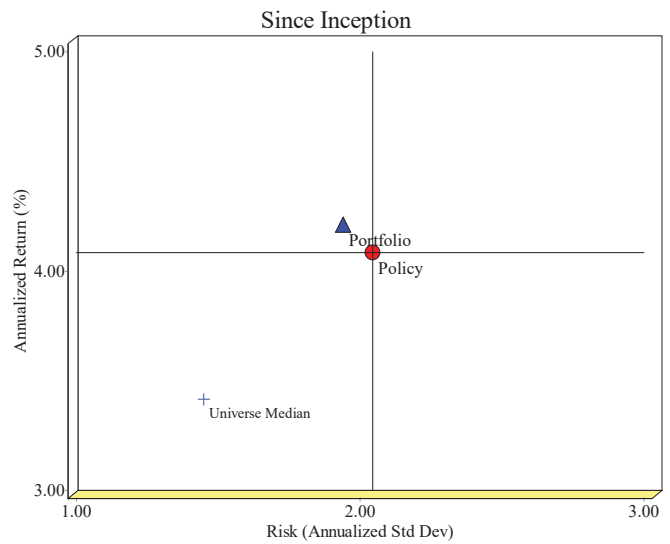
	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	2.21	0.90	0.46	0.64	92.38
● Policy	2.65	1.34	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	1.71	0.90	0.33	0.69	94.16
● Policy	1.97	1.27	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	1.75	1.01	0.38	0.78	84.89
● Policy	1.72	1.19	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	4.21	1.94	0.29	0.92	93.75
● Policy	4.08	2.04	0.00	1.00	100.00

City of Ocala
Sawgrass Asset Management - Fixed Income

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	4.00	5.00	-1.00
Positive Periods	8.00	7.00	1.00
Batting Average	25.00	75.00	-50.00
Worst Qtr	-0.27	-0.54	0.27
Best Qtr	1.09	1.61	-0.52
Range	1.36	2.15	-0.79
Worst 4 Qtrs	2.21	2.65	-0.44
Standard Deviation	0.90	1.34	-0.44
Beta	0.64	1.00	-0.36
Alpha	0.46	0.00	0.46
R-Squared	92.38	100.00	-7.62
Sharpe Ratio	2.31	1.88	0.43
Treynor Ratio	3.23	2.51	0.72
Tracking Error	0.53	0.00	0.53
Information Ratio	-0.81	0.00	-0.81

3 Years	Fund	Policy	Diff
Negative Periods	13.00	14.00	-1.00
Positive Periods	23.00	22.00	1.00
Batting Average	33.33	66.67	-33.33
Worst Qtr	-0.27	-0.54	0.27
Best Qtr	1.09	1.61	-0.52
Range	1.36	2.15	-0.79
Worst 4 Qtrs	1.14	1.35	-0.21
Standard Deviation	0.90	1.27	-0.37
Beta	0.69	1.00	-0.31
Alpha	0.33	0.00	0.33
R-Squared	94.16	100.00	-5.84
Sharpe Ratio	1.82	1.50	0.32
Treynor Ratio	2.39	1.90	0.49
Tracking Error	0.45	0.00	0.45
Information Ratio	-0.58	0.00	-0.58

5 Years	Fund	Policy	Diff
Negative Periods	19.00	23.00	-4.00
Positive Periods	41.00	37.00	4.00
Batting Average	55.00	45.00	10.00
Worst Qtr	-0.70	-0.77	0.07
Best Qtr	1.10	1.61	-0.51
Range	1.80	2.38	-0.58
Worst 4 Qtrs	0.73	0.41	0.32
Standard Deviation	1.01	1.19	-0.18
Beta	0.78	1.00	-0.22
Alpha	0.38	0.00	0.38
R-Squared	84.89	100.00	-15.11
Sharpe Ratio	1.66	1.39	0.27
Treynor Ratio	2.14	1.66	0.48
Tracking Error	0.47	0.00	0.47
Information Ratio	0.04	0.00	0.04

Since Inception	Fund	Policy	Diff
Negative Periods	53.00	60.00	-7.00
Positive Periods	163.00	156.00	7.00
Batting Average	55.56	44.44	11.11
Worst Qtr	-1.71	-1.71	0.00
Best Qtr	4.55	4.17	0.38
Range	6.26	5.88	0.38
Worst 4 Qtrs	0.06	0.40	-0.34
Standard Deviation	1.94	2.04	-0.11
Beta	0.92	1.00	-0.08
Alpha	0.29	0.00	0.29
R-Squared	93.75	100.00	-6.25
Sharpe Ratio	1.14	1.02	0.12
Treynor Ratio	2.42	2.09	0.33
Tracking Error	0.50	0.00	0.50
Information Ratio	0.24	0.00	0.24

Please see Appendix for page explanations.

City of Ocala
SEIX Investment Advisors - Fixed Income
Executive Summary as of June 30, 2016

Account Reconciliation

	06/30/2016 QTR	2016 Fiscal YTD	07/31/2003 Incept
Beginning Value	55,470,013	54,512,846	29,599,921
Net Flows	12,120	35,638	7,039,197
Investment G/L	890,613	1,824,261	19,733,628
Ending Value	56,372,746	56,372,746	56,372,746

Investment Policy

Index	Weight
ML US Domestic Master 1-10 Years	100.00

Trailing Returns Through June 30, 2016

	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	6 Yr	7 Yr	8 Yr	9 Yr	10 Yr	07/31/2003 Incept
Account	4.26	3.11	3.25	2.52	3.15	3.08	3.45	3.72	4.07	4.21	3.70
Policy	4.31	3.10	3.23	2.30	2.92	2.87	3.18	3.39	3.83	3.99	3.51
Diff	-0.05	0.02	0.01	0.23	0.23	0.21	0.27	0.32	0.24	0.22	0.19

Fiscal Year Returns Ending September

	QTR	2016 YTD	2015	2014	2013	2012	2011	2010	2009	2008	2007
Account	1.61	3.35	2.86	2.73	-0.27	4.54	3.74	4.96	8.83	3.41	5.69
Policy	1.44	3.26	2.91	2.77	-0.88	4.03	3.59	4.79	6.85	4.45	5.80
Diff	0.16	0.09	-0.05	-0.04	0.61	0.50	0.15	0.17	1.99	-1.05	-0.11

Returns In Up Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	4.7	4.7	4.6	5.7
Policy	4.8	4.9	4.5	5.5
Ratio	97.0	95.9	102.5	103.3

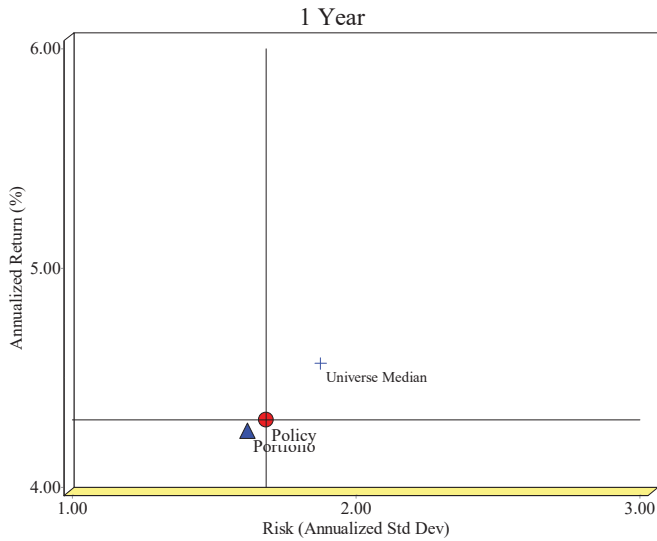
Returns In Down Markets

	1 Yr	3 Yr	5 Yr	10 Yr
Account	-0.4	-0.8	-2.4	-2.4
Policy	-0.5	-1.3	-3.0	-2.7
Ratio	81.6	63.1	77.5	86.3

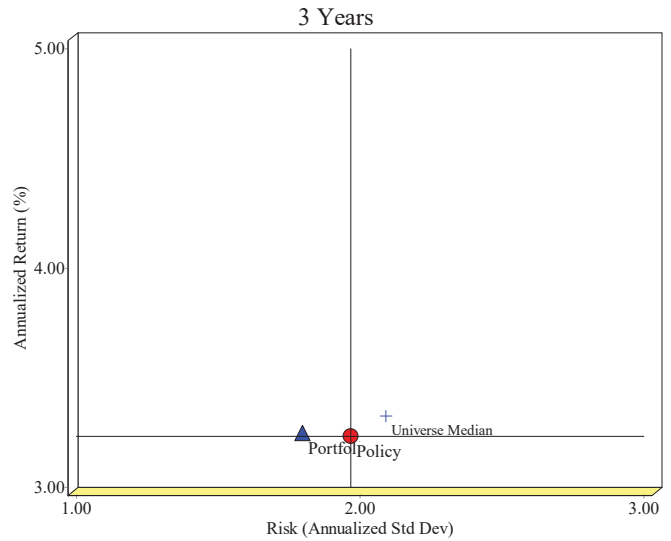
Fiscal year ends in September.
Returns for periods exceeding one year are annualized. Returns are net time weighted return.
Please see Appendix for page explanations.

City of Ocala SEIX Investment Advisors - Fixed Income

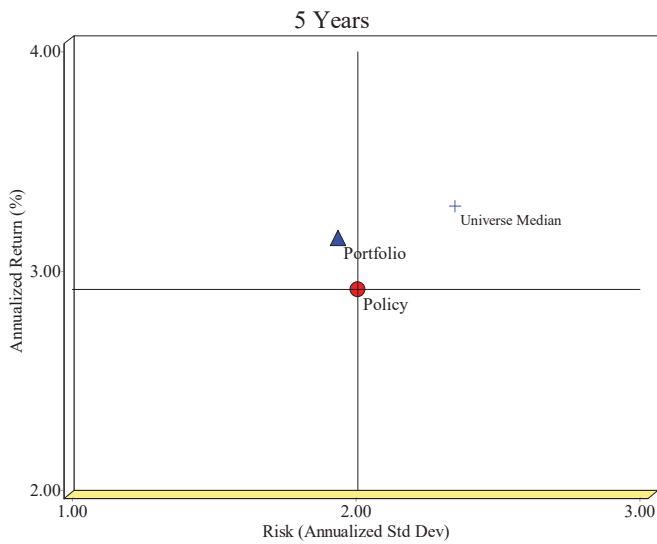
Return vs Risk as of June 30, 2016



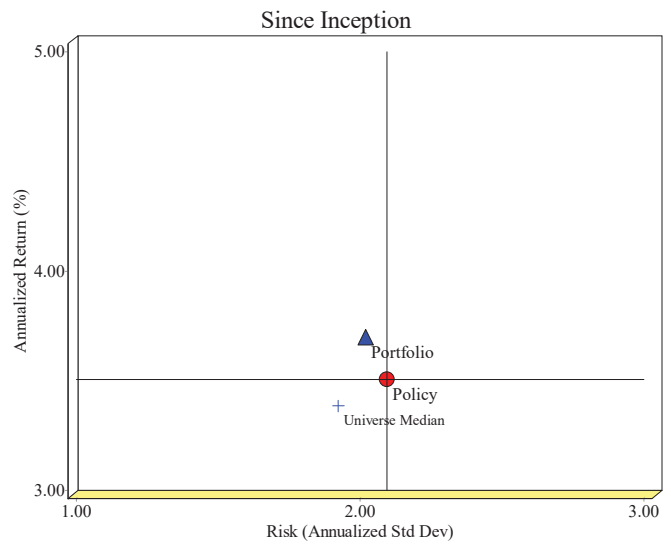
	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	4.26	1.62	0.21	0.94	95.26
● Policy	4.31	1.68	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	3.25	1.80	0.36	0.89	94.38
● Policy	3.23	1.97	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	3.15	1.94	0.55	0.89	84.25
● Policy	2.92	2.01	0.00	1.00	100.00



	Return	Std Dev	Alpha	Beta	R-Squared
▲ Portfolio	3.70	2.02	0.38	0.91	88.18
● Policy	3.51	2.10	0.00	1.00	100.00

City of Ocala
SEIX Investment Advisors - Fixed Income

Risk Measures

1 Year	Fund	Policy	Diff
Negative Periods	4.00	5.00	-1.00
Positive Periods	8.00	7.00	1.00
Batting Average	50.00	50.00	0.00
Worst Qtr	-0.40	-0.49	0.09
Best Qtr	2.12	2.29	-0.17
Range	2.52	2.78	-0.26
Worst 4 Qtrs	4.26	4.31	-0.05
Standard Deviation	1.62	1.68	-0.06
Beta	0.94	1.00	-0.06
Alpha	0.21	0.00	0.21
R-Squared	95.26	100.00	-4.74
Sharpe Ratio	2.55	2.48	0.07
Treynor Ratio	4.40	4.17	0.23
Tracking Error	0.37	0.00	0.37
Information Ratio	-0.13	0.00	-0.13

3 Years	Fund	Policy	Diff
Negative Periods	13.00	16.00	-3.00
Positive Periods	23.00	20.00	3.00
Batting Average	50.00	50.00	0.00
Worst Qtr	-0.70	-0.63	-0.07
Best Qtr	2.12	2.29	-0.17
Range	2.81	2.92	-0.10
Worst 4 Qtrs	1.98	1.90	0.08
Standard Deviation	1.80	1.97	-0.17
Beta	0.89	1.00	-0.11
Alpha	0.36	0.00	0.36
R-Squared	94.38	100.00	-5.62
Sharpe Ratio	1.77	1.61	0.16
Treynor Ratio	3.58	3.17	0.42
Tracking Error	0.48	0.00	0.48
Information Ratio	0.02	0.00	0.02

5 Years	Fund	Policy	Diff
Negative Periods	18.00	23.00	-5.00
Positive Periods	42.00	37.00	5.00
Batting Average	60.00	40.00	20.00
Worst Qtr	-1.56	-1.78	0.22
Best Qtr	2.58	2.53	0.05
Range	4.14	4.31	-0.17
Worst 4 Qtrs	0.39	-0.46	0.85
Standard Deviation	1.94	2.01	-0.07
Beta	0.89	1.00	-0.11
Alpha	0.55	0.00	0.55
R-Squared	84.25	100.00	-15.75
Sharpe Ratio	1.59	1.42	0.17
Treynor Ratio	3.48	2.85	0.63
Tracking Error	0.80	0.00	0.80
Information Ratio	0.28	0.00	0.28

Since Inception	Fund	Policy	Diff
Negative Periods	43.00	50.00	-7.00
Positive Periods	112.00	105.00	7.00
Batting Average	51.92	48.08	3.85
Worst Qtr	-1.82	-1.78	-0.04
Best Qtr	3.24	3.75	-0.51
Range	5.06	5.53	-0.47
Worst 4 Qtrs	-0.27	-0.88	0.61
Standard Deviation	2.02	2.10	-0.08
Beta	0.91	1.00	-0.09
Alpha	0.38	0.00	0.38
R-Squared	88.18	100.00	-11.82
Sharpe Ratio	1.20	1.07	0.14
Treynor Ratio	2.66	2.23	0.43
Tracking Error	0.72	0.00	0.72
Information Ratio	0.25	0.00	0.25

Please see Appendix for page explanations.

Report Explanations

Executive Summary

The Executive Summary provides an overview of the fund's performance. It shows the performance in dollars, percent, and relative to the investment policy. These statistics are provided over different time periods including up and down markets. All rates of return are annualized if the period for which they are calculated exceeds one year.

Account Reconciliation: This section shows the performance of the account in dollars, during the most recent quarter, the calendar year, and since the inception date. The Beginning Value is the value at the start of each period. The Ending Value shows the value as of the date of the report. Net contributions are the total contributions less the total withdrawals during the period. The Investment G/L is the gain or loss resulting from the investments. It is the difference between the beginning and ending values that cannot be explained by the net contributions. Positive investment G/L figures represent a profit, and negative values represent a loss.

Investment Policy: This section defines the benchmark against which the fund is being compared. Generally, this is the most important objective for a fund to achieve. The performance of the fund relative to this measure over longer periods of time, such as market cycles, is the strongest indicator of the success or failure of the investment strategy. This objective should be reasonable, and the performance of the fund should be measured against the investment policy after adjusting for risk.

Trailing Returns: This section shows the cumulative time weighted returns over the last 1 year, 2 years, and so on up through 10 years if available, as well as since the inception date. A positive difference indicates the fund has exceeded the policy's returns. The investor would prefer that this difference be positive for all time periods; however, it is more important for it to be positive for the longer periods rather than the shorter periods.

Calendar Year Returns: This section gauges the consistency of performance over one year time periods. Each calendar year of performance represents the return from January 1st through December 31st. Watch out for a trend of declining relative performance in recent periods.

Time Weighted Return: This statistic demonstrates a measure of the compound rate of growth in a portfolio. Because this method eliminates the distorting effects created by the size and timing of cash flows, it is used to compare the returns of investment managers.

Dollar Weighted Return: This demonstrates the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of the initial investment. The dollar weighted rate of return incorporates the size and timing of cash flows and is equivalent to the internal rate of return (IRR).

Returns In Up/Down Markets: This section shows how the fund performed in both up and down markets. The methodology utilized segregates the performance for each time period into the quarters in which the market, as defined by the policy, was positive and negative. Quarters with negative policy returns are treated as down markets, and quarters with positive policy returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. Up market returns are calculated for the fund and the policy based on the up quarters. Down market returns are calculated for the fund and the policy based on the down quarters. The ratio of the fund's return in up markets to that of the policy is the up market capture ratio. The ratio of the fund's return in down markets to that of the policy is the down market capture ratio. Ideally, the fund would have a greater up market capture ratio and a smaller down market capture ratio.

Risk Measures

The evaluation of a fund's performance should extend beyond return to encompass measures of risk. The next two pages illustrate the level of risk to which the fund has been exposed, and whether the return has been commensurate with the risk taken. All measures are calculated for the fund and the policy as well as the difference between the two. Up to four time periods are evaluated depending on the age of the fund.

Of Negative Qtrs/# Of Positive Qtrs: Number of negative quarters shows the number of quarters in which the return was less than zero. The number of positive quarters is the number of quarterly returns which were greater or equal to zero.

Batting Average: The batting average is a measure of consistency. It shows the percent of the quarters the fund has beaten the policy and the percent of the quarters the policy has outperformed the fund. A high average for the fund (e.g. over 50) is desirable, indicating the fund has beaten the policy frequently.

Worst Quarter/Best Quarter/Range: The worst quarter is the lowest quarterly return experienced during the period, a measure of downside risk. The best quarter is the highest quarterly return, and the range is the difference of the high and low, and indicates dispersion.

Standard Deviation: Standard deviation measures the total volatility of the fund, by measuring dispersion. Higher standard deviation indicates higher risk. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Thus, it measures uncertainty, which is a measure of risk.

Alpha/Beta/R-Squared: If the policy is appropriate, then the alpha should be positive, the beta close to one, and the r-squared should be high. Beta measures risk relative to the policy. A beta of 1 suggests risk equivalent to the policy. Higher betas indicate higher relative risk. A beta of 1.2 indicates 20% more risk than the policy. The alpha measures the return adjusted for beta. A higher alpha indicates a higher risk adjusted return. R-squared measures the relationship between the policy and the fund. A high r squared means the returns of the fund can largely be explained by movements of the policy. A higher r-squared indicates a more reliable alpha and beta. R-squared may range from 0 to 100. Beta, alpha and r-squared are derived from regression analysis using the fund and policy returns as the dependent and independent variables respectively. Roughly, one would expect the fund's performance to equal the return of the policy multiplied by the beta plus the alpha.

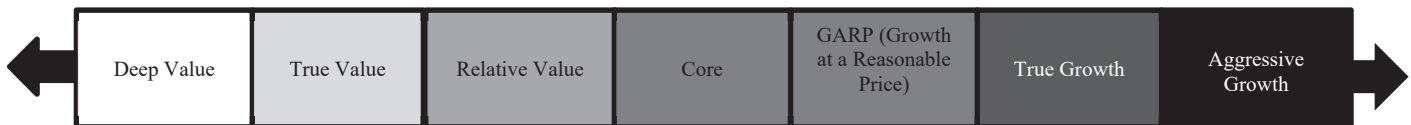
Sharpe Ratio/Treynor Ratio: The Sharpe and Treynor ratios are similar. The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. The Treynor ratio is the excess return per unit of market risk as measured by beta. Both of these should be compared against the corresponding value for the policy. Higher numbers are better, indicating more return for the level of risk that was experienced.

Tracking Error/Information Ratio: Tracking error is a measure of how closely a portfolio follows the index to which it is benchmarked, or a measure of the deviation from the benchmark. Dividing portfolio return by portfolio tracking error gives the information ratio, which is a risk adjusted performance metric.

Equity Investment Styles

In an attempt to achieve diversification, investors may invest in a variety of asset classes. Different asset classes, such as small, mid, large and all capitalization, offer vastly different levels of risk and potential rewards, but so does investment style diversification. Growth and Value investments tend to go in and out of favor in a cyclical pattern. Dividing your portfolio among asset classes that do not respond to the same market environments the same way at the same time has the potential to help minimize the effects of market volatility, as well as help to maximize the chances of increased returns over time. Ideally, when investments in one class are performing poorly, the assets in another class are doing well. The gains in the latter would potentially offset the losses in the former, minimizing the overall effect on your portfolio. Note that one can diversify away much of the risks of holding a single investment, but one cannot diversify away the risks of simply being invested in the market.

Equity investment managers will typically fall into a particular "Style" category, purchasing stocks with either growth or value characteristics. Understanding the intricacies of the particular equity styles allows you to combine investment managers with complementary styles more efficiently. Or, if you select a single investment style, knowledge of the style categories may help you plan for the ups and downs associated with a particular style. Below are descriptions of the different investment styles.



The Core Style

The philosophy behind a core investment style is to have no bias towards growth or value, only the quality of the position. Typically a core portfolio searches to buy shares in companies that an investment manager believes would perform well in all market environments. As a result, they tend to contain a mixture of both growth and value shares

The Value Style

A simple way to describe value investing is that it is an approach that seeks to buy companies that offer the best value for the money. Value managers look for companies with prices that are believed to be undervalued relative to the market. Undiscovered companies or stocks that have price movements that do not correspond to the company's long-term fundamentals are generally considered to be value investments.

Relative value: investment will employ a value-oriented strategy that is "diluted" in nature in comparison with the true value style. Relative value managers tend to outperform their deeper value peers during periods when growth is outperforming value, however tend to trail during market conditions that favor a deeper value posture. Relative value managers have a definite value emphasis, but often have some growth overlays in security selection.

True value: investment style exhibits characteristics similar to those of the Russell 1000 Value Index. We often times refer to true value as a "plain vanilla" value investment approach. This type of portfolio will hold many of the same positions as the Russell 1000 Value Index, or positions whose characteristics in aggregate are similar to the overall characteristics of the Index.

Deep value: investing is the extreme of the value-oriented styles. A deep value strategy will avoid stocks that are the latest market fad. A deep value manager will typically invest in companies or industries that are out of favor, with the

anticipation that the tides will turn and the investment will pay off. Deep value managers tend to demonstrate performance volatility, as they usually outperform their less value -biased peers during periods when value is outperforming growth. The reverse takes place when growth is outperforming, the deeper value styles will generally underperform their relative and true value peers.

The Growth Style

Investment managers who chose to implement a growth style search for companies that are growing their earnings at a rapid pace. The companies are expected to grow faster than the stock market average. A growth investor tends to aim for big gains over the long term and must be willing to withstand the ups and downs of the growth oriented market.

Growth At a Reasonable Price ("GARP") investing combines the search for sustainable earnings growth with an emphasis on valuation. GARP investing reflects the desire to find companies that could be undervalued, but have solid sustainable growth potential. A GARP investment has historically been favored when the economy begins to slow because the consistent earnings of high quality companies become increasingly attractive. GARP investment managers maintain, generally speaking, that over long periods of time, stocks go up for one reason - underlying earnings growth.

True Growth: A true growth portfolio will typically display characteristics similar to those of the Russell 1000 Growth Index. A manager who employs a true growth management style will purchase many of the same companies that are in the Russell 1000 Growth Index, or a portfolio of holdings whose characteristics are similar to those of the Index. They seek to purchase only companies that remain faithful to the category of a "growth" investment style.

Aggressive Growth: Investment managers that seek the highest of earnings growth, regardless of valuation, are considered aggressive growth managers. They seek aggressive and sometimes emerging growth stocks, and are often dramatically overweight traditional growth-oriented sectors like Technology, for example.

Which is the best style? Many investors buy into a particular investment style that experienced above- average performance results after those performance results were achieved, only to sell out of that particular style when it begins to suffer a more difficult performance run. We maintain that it is prudent for investors not only to seek out investment managers who have demonstrated consistency as it relates to people, philosophy/process and performance, but also to choose managers in whom they can maintain conviction over the long term, so as to avoid the untimely cost of switching styles. We believe that understanding the uniqueness of each investment style is key to staying the course.

Source: Wells Fargo Advisors, LLC