

Summary of Investments

	Total Cost	Market Value	% of Total Portfolio	Current Yield	Estimated Annual Income
Cash/Cash Equivalent					
CASH & CASH EQUIVALENT	84,904.50	84,904.50	6.7	0.0	8.49
TOTAL Cash/Cash Equivalent	84,904.50	84,904.50	6.7	0.0	8.49
Equities					
FINANCIALS	194,947.21	280,603.05	22.3	1.8	5,056.60
ENERGY	126,582.94	167,256.55	13.3	0.8	1,386.80
MATERIALS	107,777.89	158,722.35	12.6	0.9	1,457.80
HEALTH CARE	66,516.59	137,111.55	10.9	0.2	330.40
CONSUMER STAPLES	68,823.66	115,604.70	9.2	1.9	2,224.00
INDUSTRIALS	90,373.89	109,989.40	8.7	0.3	320.00
UTILITIES	67,430.60	85,927.20	6.8	4.5	3,825.60
INFORMATION TECHNOLOGY	50,321.03	72,038.25	5.7	1.1	814.00
TELECOMMUNICATION SERVICES	17,573.62	24,527.60	1.9	0.0	0.00
CONSUMER DISCRETIONARY	19,624.69	22,250.00	1.8	1.2	267.00
TOTAL Equities	809,972.12	1,174,030.65	93.2	1.3	15,682.20
TOTAL Accruals	275.05	275.05	0.0		
TOTAL PORTFOLIO	895,151.67	1,259,210.20	100.0	1.2	15,690.69

Portfolio Performance (%) - Gross of Fees

	Latest Month	Latest 3 Months	Year To Date	1 Year	3 Year*	5 Year*	Since Inception*
Total	7.45	9.80	9.80	74.92	N/A	N/A	35.61
RUSSELL 2500 VALUE	7.35	9.57	9.57	67.17	N/A	N/A	28.81

*Annualized for periods more than one year

Portfolio Appraisal

				Average		Current		%	Current	Estimated
	Cusip	Symbol	Quantity	Cost	Total Cost	Price	Market Value	Portfolio	Yield	Annual
										Income
Cash/Cash Equivalent										
					84,904.50		84,904.50	6.7	0.0	8.49
TOTAL Cash/Cash Equivalent					84,904.50		84,904.50	6.7	0.0	8.49
Equities										
CONSUMER DISCRETIONARY					19,624.69		22,250.00	1.8	1.2	267.00
	950587105	WEN	4,450	4.41	19,624.69	5.00	22,250.00	1.8	1.2	267.00
CONSUMER STAPLES					68,823.66		115,604.70	9.2	1.9	2,224.00
	191219104	CCE	1,480	8.71	12,892.43	27.66	40,936.80	3.3	1.3	532.80
	832696405	SJM	470	43.07	20,242.90	60.26	28,322.20	2.2	2.3	658.00
	579780206	MKC	680	29.92	20,346.61	38.36	26,084.80	2.1	2.7	707.20
	786514208	SWY	815	18.82	15,341.72	24.86	20,260.90	1.6	1.6	326.00
ENERGY					126,582.94		167,256.55	13.3	0.8	1,386.80
	109178103	BEXP	1,730	10.61	18,352.60	15.95	27,593.50	2.2	0.0	0.00
	28336L109	EP	2,080	6.77	14,086.42	10.84	22,547.20	1.8	0.4	83.20
	30225X103	EXH	725	17.80	12,906.55	24.17	17,523.25	1.4	0.0	0.00
	346091705	FST	1,320	27.27	35,999.57	25.82	34,082.40	2.7	0.0	0.00
	886423102	TDW	560	40.23	22,528.24	47.27	26,471.20	2.1	2.1	560.00
	969457100	WMB	1,690	13.44	22,709.56	23.10	39,039.00	3.1	1.9	743.60
FINANCIALS					194,947.21		280,603.05	22.3	1.8	5,056.60
	208464883	CNO	7,255	4.46	32,388.68	6.22	45,126.10	3.6	0.0	0.00
	316773100	FITB	3,400	10.56	35,906.33	13.56	46,104.00	3.7	0.3	136.00
	37247D106	GNW	2,245	10.59	23,781.94	18.34	41,173.30	3.3	0.0	0.00
	42217K106	HCN	645	40.91	26,386.49	45.23	29,173.35	2.3	6.0	1,754.40
	681936100	OHI	2,290	13.38	30,631.31	19.49	44,632.10	3.5	6.6	2,931.20
	78442P106	SLM	4,035	5.35	21,594.35	12.52	50,518.20	4.0	0.0	0.00
	938824109	WFSL	1,175	20.65	24,258.11	20.32	23,876.00	1.9	1.0	235.00
HEALTH CARE					66,516.59		137,111.55	10.9	0.2	330.40
	112463104	BKD	2,450	5.77	14,137.21	20.83	51,033.50	4.1	0.0	0.00
	681904108	OCR	1,185	23.88	28,298.00	28.29	33,523.65	2.7	0.3	106.65
	714290103	PRGO	895	26.91	24,081.38	58.72	52,554.40	4.2	0.4	223.75
INDUSTRIALS					90,373.89		109,989.40	8.7	0.3	320.00
	343412102	FLR	640	43.81	28,035.35	46.51	29,766.40	2.4	1.1	320.00
	884315102	TNB	1,200	24.10	28,915.68	39.24	47,088.00	3.7	0.0	0.00
	92345Y106	VRSK	1,175	28.44	33,422.86	28.20	33,135.00	2.6	0.0	0.00

Portfolio Appraisal

				Average		Current		%	Current	Estimated
	Cusip	Symbol	Quantity	Cost	Total Cost	Price	Market Value	Portfolio	Yield	Annual
										Income
Equities										
INFORMATION TECHNOLOGY					50,321.03		72,038.25	5.7	1.1	814.00
	ANIXTER INTERNATIONAL INC	035290105	AXE	600	32.44	19,463.76	46.85	28,110.00	2.2	0.0
	HARRIS CORP.	413875105	HRS	925	33.36	30,857.27	47.49	43,928.25	3.5	1.9
MATERIALS					107,777.89		158,722.35	12.6	0.9	1,457.80
	CROWN HOLDINGS INC	228368106	CCK	1,600	19.08	30,526.88	26.96	43,136.00	3.4	0.0
	MEADWESTVACO CORP.	583334107	MWV	1,440	16.21	23,335.44	25.55	36,792.00	2.9	3.6
	OWENS ILLINOIS	690768403	OI	1,370	23.65	32,405.02	35.54	48,689.80	3.9	0.0
	WEYERHAEUSER COMPANY	962166104	WY	665	32.35	21,510.55	45.27	30,104.55	2.4	0.4
TELECOMMUNICATION SERVICES					17,573.62		24,527.60	1.9	0.0	0.00
	SBA COMMUNICATIONS	78388J106	SBAC	680	25.84	17,573.62	36.07	24,527.60	1.9	0.0
UTILITIES					67,430.60		85,927.20	6.8	4.5	3,825.60
	ONEOK INC	682680103	OKE	1,200	30.52	36,619.44	45.65	54,780.00	4.4	3.9
	VECTREN CORPORATION	92240G101	VVC	1,260	24.45	30,811.16	24.72	31,147.20	2.5	5.5
TOTAL Equities					809,972.12		1,174,030.65	93.2	1.3	15,682.20
Total Accruals							275.05	0.0		
TOTAL PORTFOLIO					895,151.67		1,259,210.20	100	1.2	15,690.69

Purchases

Trade Date	Settle Date	Quantity	Security	Price	Amount
Purchases					
1/7/2010	1/12/2010	1,175	WASHINGTON FEDERAL, INC.	20.61	24,258.11
1/8/2010	1/13/2010	1,830	FIFTH THIRD BANCORP	11.18	20,536.81
1/8/2010	1/13/2010	265	FLUOR CORPORATION	49.30	13,069.03
1/11/2010	1/14/2010	495	VERISK ANALYTICS	29.85	14,794.16
1/12/2010	1/15/2010	50	FLUOR CORPORATION	48.85	2,443.03
1/12/2010	1/15/2010	95	VERISK ANALYTICS	30.10	2,863.13
2/5/2010	2/10/2010	5,220	CONSECO INC	4.36	22,966.43
2/12/2010	2/18/2010	2,035	CONSECO INC	4.62	9,422.25
2/12/2010	2/18/2010	245	MEADWESTVACO CORP.	22.75	5,575.22
3/19/2010	3/24/2010	1,320	FOREST OIL CORP	27.23	35,999.57
Total Purchases					151,927.74

Sales

Trade Date	Settle Date	Quantity	Security	Price	Amount
Sales					
1/7/2010	1/12/2010	770	MEADWESTVACO CORP.	29.01	22,324.65
1/7/2010	1/12/2010	3,470	NV ENERGY INC	11.99	41,529.63
1/11/2010	1/14/2010	205	PPG INDUSTRIES	61.50	12,605.90
2/5/2010	2/10/2010	260	HEALTH CARE REIT	40.86	10,613.35
2/11/2010	2/17/2010	1,620	DEAN FOODS	14.37	23,208.14
3/9/2010	3/12/2010	880	GENWORTH FINANCIAL INC.	16.43	14,426.79
3/12/2010	3/17/2010	615	EXTERRAN HOLDINGS	25.95	15,931.49
3/12/2010	3/17/2010	640	HERSHEY COMPANY	42.15	26,947.81
Total Sales					167,587.76

Gains/Losses

Sell Date	Purchase Date	Shares/ Par Value	Security	Proceeds(\$)	Cost Basis(\$)	Gains/Loss	
						Short Term(\$)	Long Term(\$)
1/7/2010	10/30/2008	540	MEADWESTVACO CORP.	15,656.25	6,817.72	0.00	8,838.53
1/7/2010	4/21/2009	230	MEADWESTVACO CORP.	6,668.40	3,097.20	3,571.20	0.00
1/7/2010	10/30/2008	3,470	NV ENERGY INC	41,529.63	27,533.41	0.00	13,996.22
1/11/2010	6/24/2009	205	PPG INDUSTRIES	12,605.90	8,804.03	3,801.87	0.00
2/5/2010	10/30/2008	260	HEALTH CARE REIT	10,613.35	10,797.95	0.00	-184.60
2/11/2010	10/30/2008	1,620	DEAN FOODS	23,208.14	33,522.82	0.00	-10,314.68

Gains/Losses

Sell Date	Purchase Date	Shares/ Par Value	Security	Proceeds(\$)	Cost Basis(\$)	Gains/Loss	
						Short Term(\$)	Long Term(\$)
3/9/2010	10/30/2009	880	GENWORTH FINANCIAL INC.	14,426.79	9,278.28	5,148.51	0.00
3/12/2010	10/30/2008	615	EXTERRAN HOLDINGS	15,931.49	11,797.48	0.00	4,134.01
3/12/2010	10/30/2008	640	HERSHEY COMPANY	26,947.81	23,351.81	0.00	3,596.00
Total Realized Gains/Losses				167,587.76	135,000.70	12,521.58	20,065.48

Income		
Pay Date	Security	Amount
1/4/2010	EL PASO CORP.	20.80
1/5/2010	FLUOR CORPORATION	40.63
1/14/2010	SAFEWAY INC.	81.50
1/15/2010	MCCORMICK & CO.	176.80
1/21/2010	FIFTH THIRD BANCORP	15.70
2/12/2010	ONEOK INC	528.00
2/16/2010	OMEGA HEALTHCARE	732.80
2/19/2010	HEALTH CARE REIT	615.40
3/1/2010	WEYERHAEUSER COMPANY	33.25
3/1/2010	MEADWESTVACO CORP.	274.85
3/1/2010	JM SMUCKER	164.50
3/1/2010	VECTREN CORPORATION	428.40
3/15/2010	HERSHEY COMPANY	204.80
3/15/2010	OMNICARE, INC.	26.66
3/15/2010	WENDY'S/ARBY'S GROUP	66.75
3/16/2010	PERRIGO CO.	55.94
3/16/2010	TIDEWATER INC	140.00
3/18/2010	HARRIS CORP.	203.50
3/25/2010	COCA-COLA ENTERPRISES	133.20
3/29/2010	WILLIAMS COS, INC.	185.90
	Total Dividends	4,129.38
1/29/2010	January Short Term Interest	0.61
2/26/2010	February Short Term Interest	0.33
3/31/2010	March Short Term Interest	0.61
	Total Cash & Equivalents	1.55
	Total Income	4,130.93

Quarterly Commentary

SMID cap equities began the year 2010 with a whimper but finished this first quarter with a roar. The market returned about -3% in January, but then went positive in February and even more so in March. This makes for the 4th consecutive positive quarter and a greater than 65% SMID cap equity market return for the past 12 months (as measured by the Russell 2500 or Russell 2500 Value indices). Diverging from last year's dominance by the Growth segment, first quarter 2010 was lead modestly by the Value side. The Russell 2500 Value returned 9.6% vs the Russell 2500 at 9.2%. However, consistent to most of 2009, return leadership came from smaller stocks (those under \$500 million in market cap), stocks priced under \$5 a share, and companies with zero to negative earnings. GW Capital's holdings mainly remain outside of these parameters.

Sector leaders and laggards continued to present a problem for the thematic component of GW Capital managed portfolios last quarter, as happened in much of 2009. The runaway market sector winner for the quarter, returning greater than half its nearest sector, was 2009's sector winner as well: Consumer Discretionary. On the flip side, one of the lagging sectors was Energy. In terms of portfolio make-up, GW Capital 's significant underweight to Consumer Discretionary stocks remains in place. At the same time, our Energy overweight remains. Add this up and you get a challenging environment for a GW Capital SMID Cap equity portfolio to outperform. Throw in one more item, the strength in returns for the second best market sector last quarter, Financial Services (where GW Capital is underweight against the Russell 2500 Value benchmark by our 25% maximum sector weighting limit), and we've dug a hole that can be very difficult to climb out in a single quarter.

But climb we did.

Even with those headwinds highlighted in the previous paragraphs, GW Capital SMID portfolios outperformed their SMID Cap benchmarks in the first quarter. Outperformance was driven by solid returns from issue selection primarily within Financial Services. We also had strong performance from select names in Healthcare and Energy -- helping to propel portfolios to an overall outperformance position for the quarter. Finally, we had a name in the Consumer Staples area receive an offer to acquire a significant portion of their business, providing a solid boost in valuation in that stock. On the downside, we had some names in Consumer Staples, Materials and the Consumer Discretionary area that underperformed by double-digits, mitigating some of the positive impact by this quarter's winners.

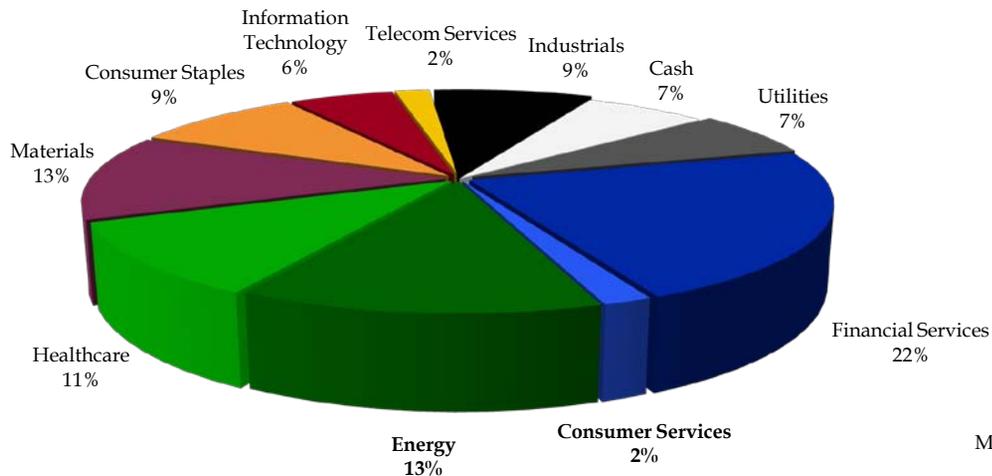
First quarter was about average for transactions in terms of new buys (3) and outright sells (4). We sold 2 stocks in the Consumer Staples sector, 1 Utility company and a Chemicals/Materials firm. On the buy side, we added 2 positions that were already held in our Small Cap portfolios -- a Financial Services company and an Energy stock -- plus we purchased a new Bank stock. We also were relatively active in terms of paring-back some names and adding to others.

Looking ahead, with a 100+% rally in the Russell 2500 and 2500 Value indices since the March 2009 low, we remain somewhat cautious on the market. However, seeing stabilization in the economy and the US financial system has made us modestly more constructive on the potential for economic recovery. We continue to seek opportunities to position the portfolio accordingly. As always, we are constantly evaluating (and re-evaluating) our outlook while seeking new thematic and bottom-up opportunities, and will remain vigilant in our portfolio management approach.

All views expressed in this commentary reflect the opinions and analysis of GW Capital's portfolio management team as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Please note: circumstances within individual accounts may not align with the general commentary provided in this writing. GW Capital in no way guarantees future performance or that GW Capital's outlook will come to fruition. Although the statements of fact and data in this report have been obtained from, and are based upon, sources that the firm believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. Past performance is not a guarantee of future results. Investing in stocks entails the risks of market volatility. The value of all types of stocks may increase or decrease over varying time periods. Small-capitalization companies may lack the financial resources, product diversification and competitive strengths of larger companies. In addition, the securities of small-capitalization companies may not trade as readily as, and be subject to higher volatility than, those of larger, more established companies. Portfolios that invest a large percentage of assets in only one industry sector (or in only a few sectors) are more vulnerable to price fluctuation than portfolios that diversify among a broad range of sectors. Investors cannot invest directly in an index. The performance of unmanaged indexes reflects no deductions for fees, expenses or taxes which would affect performance of actively managed assets.

Sector Selection

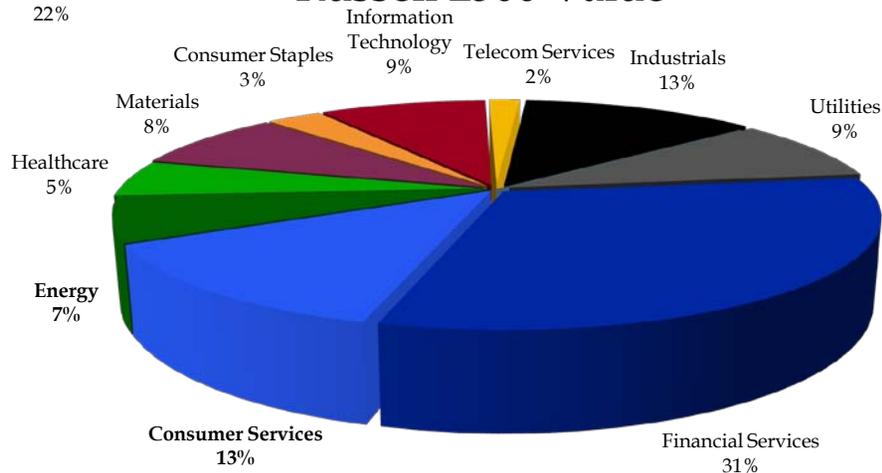
**Ormond Beach
Police Pension Plan**



Largest Variances vs. Russell 2500 V

Energy: +6%
Consumer Services: -11%

Russell 2500 Value*



* Source: Frank Russell Co. GICS Classification