



*Portfolio Review*

***City of Ormond Beach General Employees' Pension Plan***

***Diversified Large Growth Equity***

*March 31, 2015*

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

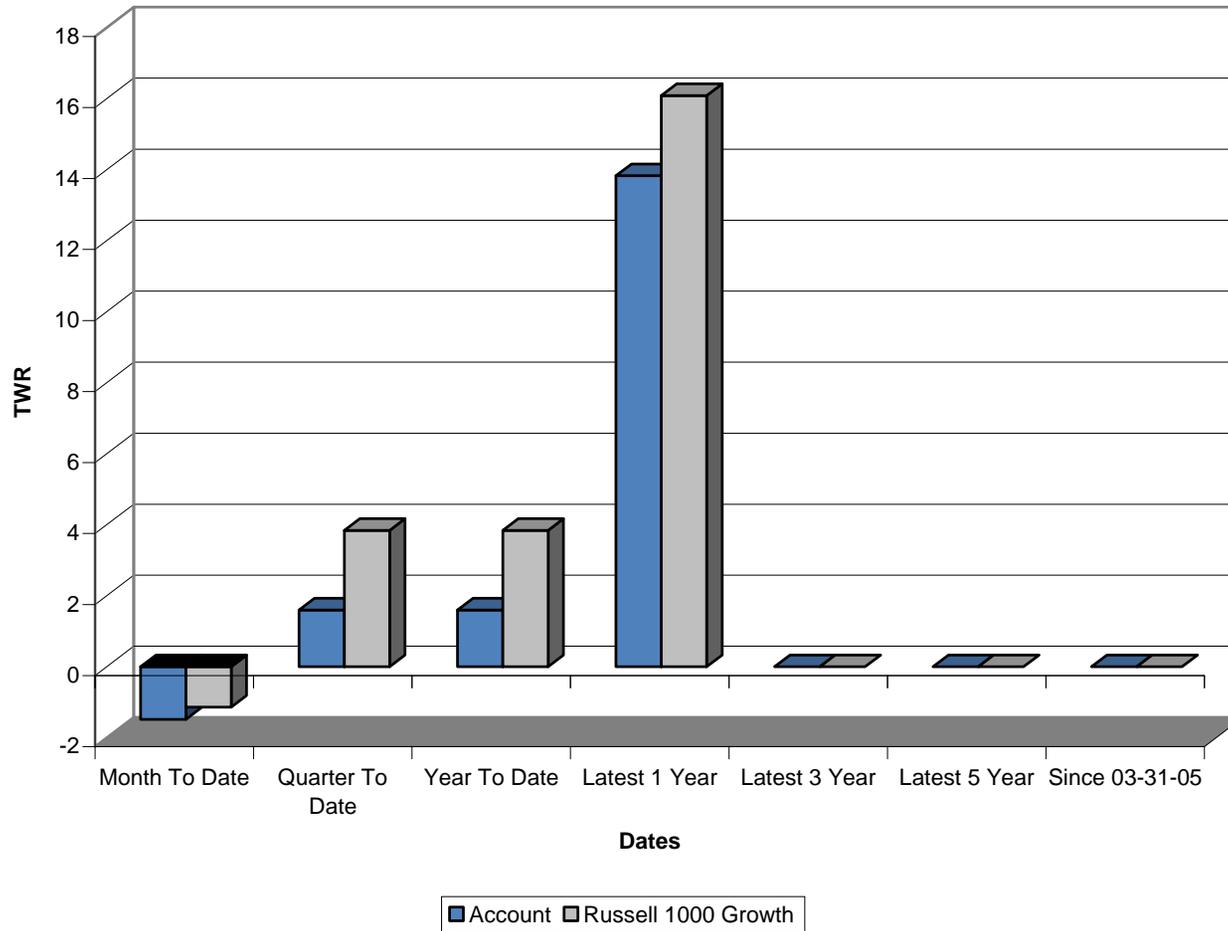
Sawgrass Asset Management  
**PORTFOLIO SUMMARY**  
*City of Ormond Beach General Employees' Pension Plan*  
*Diversified Large Growth Equity*  
*March 31, 2015*

Security Type	Total Cost	Market Value	Pct Assets	Est. Annual Income
<b>Equities</b>				
COMMON STOCK				
Consumer Discretionar	701,756	1,030,317	20.3	10,415
Consumer Staples	256,540	390,459	7.7	8,051
Energy	273,137	210,915	4.2	2,448
Financials	96,781	163,729	3.2	3,430
Health Care	477,761	697,084	13.7	11,326
Industrials	646,552	900,071	17.7	7,449
Information Technolog	936,694	1,207,796	23.8	15,105
Materials	152,814	196,357	3.9	3,097
Utilities	169,632	183,335	3.6	8,294
	3,711,667	4,980,063	98.2	69,614
	3,711,667	4,980,063	98.2	69,614
<b>Cash and Equiv.</b>				
CASH AND EQUIVS.	91,516	91,516	1.8	87
	91,516	91,516	1.8	87
<b>TOTAL PORTFOLIO</b>	<b>3,803,184</b>	<b>5,071,580</b>	<b>100.0</b>	<b>69,701</b>

Sawgrass Asset Management  
**TWR FOR SELECTED PERIODS**  
**ANNUALIZED**  
**GROSS OF FEES**  
*City of Ormond Beach General Employees' Pension Plan*  
*Diversified Large Growth Equity*  
*March 31, 2015*

	Month To Date	Quarter To Date	Year To Date	Latest 1 Year	Latest 3 Year	Latest 5 Year	Since 03-31-05
<b>Total Account</b>							
Account	-1.48	1.60	1.60	13.83	-	-	-
Russell 1000 Growth	-1.14	3.84	3.84	16.09	-	-	-
<b>Equities</b>							
Account	-1.51	1.62	1.62	14.38	-	-	-
Russell 1000 Growth	-1.14	3.84	3.84	16.09	-	-	-
S&P 500	-1.58	0.95	0.95	12.73	-	-	-
<b>Fixed Income</b>							
Account	0.00	0.00	0.00	0.00	-	-	-
<b>Cash and Equiv.</b>							
Account	0.02	0.06	0.06	0.24	-	-	-
<b>Other</b>							
Account	0.00	0.00	0.00	0.00	-	-	-

Sawgrass Asset Management  
**TWR FOR SELECTED PERIODS**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
 March 31, 2015



Sawgrass Asset Management  
**PORTFOLIO APPRAISAL**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
*March 31, 2015*

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
<b>COMMON STOCK</b>						
Consumer Discretionary						
260.0000	AUTOZONE INC COM	420.97	109,452	682.16	177,362	3.5
3,490.0000	COMCAST CORP NEW CL A	37.02	129,193	56.47	197,080	3.9
580.0000	COSTCO COMPANIES INC COM	107.27	62,218	151.49	87,867	1.7
490.0000	DIRECTV COM	48.87	23,946	85.10	41,699	0.8
950.0000	DISNEY WALT CO COM	75.70	71,913	104.89	99,645	2.0
1,000.0000	DOLLAR TREE STORES COM	73.11	73,105	81.14	81,145	1.6
910.0000	HOME DEPOT INC COM	60.84	55,367	113.61	103,385	2.0
1,120.0000	TJX COS INC NEW COM	42.39	47,478	70.05	78,456	1.5
1,990.0000	WAL MART STORES INC COM	64.87	129,083	82.25	163,677	3.2
			701,756		1,030,317	20.3
Consumer Staples						
2,380.0000	COCA COLA CO COM	37.59	89,469	40.55	96,509	1.9
970.0000	CVS HEALTH CORP	40.15	38,945	103.21	100,114	2.0
1,840.0000	GENERAL MILLS INC	49.43	90,949	56.60	104,144	2.1

Sawgrass Asset Management  
**PORTFOLIO APPRAISAL**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
*March 31, 2015*

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
1,170.0000	KROGER CO	31.77	37,177	76.66	89,692	1.8
			256,540		390,459	7.7
<b>Energy</b>						
1,530.0000	SCHLUMBERGER LTD FOREIGN ORD	87.19	133,401	83.44	127,663	2.5
3,590.0000	SOUTHWESTERN ENERGY CO COM	38.92	139,736	23.19	83,252	1.6
			273,137		210,915	4.2
<b>Financials</b>						
990.0000	AMERICAN EXPRESS CO	53.16	52,631	78.12	77,339	1.5
1,000.0000	MASTERCARD INC CL A	44.15	44,150	86.39	86,390	1.7
			96,781		163,729	3.2
<b>Health Care</b>						
2,670.0000	ABBOTT LABS COM	31.18	83,239	46.33	123,701	2.4
2,180.0000	ABBVIE INC. COM	46.01	100,306	58.54	127,617	2.5
720.0000	AMGEN INC COM	87.25	62,821	159.85	115,092	2.3
1,600.0000	EXPRESS SCRIPTS HOLDING CO COM	59.68	95,483	86.77	138,832	2.7
1,120.0000	JOHNSON & JOHNSON COM	89.23	99,939	100.60	112,672	2.2

Sawgrass Asset Management  
**PORTFOLIO APPRAISAL**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
*March 31, 2015*

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
350.0000	MCKESSON CORP	102.78	35,973	226.20	79,170	1.6
			477,761		697,084	13.7
Industrials						
610.0000	3M CO	133.91	81,688	164.95	100,619	2.0
970.0000	DANAHER CORP COM	53.54	51,938	84.90	82,353	1.6
1,830.0000	EXPEDITORS INTL WASH COM	45.10	82,535	48.18	88,169	1.7
390.0000	FEDEX CORP COM	137.34	53,564	165.45	64,525	1.3
720.0000	HONEYWELL INTL INC COM	65.94	47,474	104.31	75,103	1.5
1,520.0000	SOUTHWEST AIRLS CO COM	18.86	28,668	44.30	67,336	1.3
930.0000	STERICYCLE INC COM	95.45	88,769	140.43	130,600	2.6
1,060.0000	UNION PAC CORP COM	70.26	74,472	108.31	114,809	2.3
1,080.0000	UNITED TECHNOLOGIES CP COM	81.24	87,736	117.20	126,576	2.5
700.0000	VERISK ANALYTICS INC CL A	71.01	49,708	71.40	49,980	1.0
			646,552		900,071	17.7

Sawgrass Asset Management  
**PORTFOLIO APPRAISAL**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
*March 31, 2015*

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
Information Technology						
2,060.0000	APPLE INC	71.23	146,727	124.43	256,326	5.1
5,130.0000	EMC CORP/MASS	19.14	98,171	25.56	131,123	2.6
310.0000	GOOGLE INC CL A	463.78	143,773	554.70	171,957	3.4
160.0000	GOOGLE INC CL C	364.60	58,335	548.00	87,680	1.7
750.0000	INTERNATIONAL BUS MACH COM	156.54	117,408	160.50	120,375	2.4
4,480.0000	ORACLE CORPORATION	33.66	150,797	43.15	193,312	3.8
2,220.0000	QUALCOMM INC COM	63.85	141,740	69.34	153,935	3.0
1,390.0000	VERISIGN INC COM	57.37	79,743	66.97	93,088	1.8
			936,694		1,207,796	23.8
Materials						
830.0000	ECOLAB INC COM	62.62	51,971	114.38	94,935	1.9
840.0000	PRAXAIR INC COM	120.05	100,843	120.74	101,422	2.0
			152,814		196,357	3.9
Utilities						
3,770.0000	VERIZON COMMUNICATIONS COM	45.00	169,632	48.63	183,335	3.6
			3,711,667		4,980,063	98.2

Sawgrass Asset Management  
**PORTFOLIO APPRAISAL**  
*City of Ormond Beach General Employees' Pension Plan*  
*Diversified Large Growth Equity*  
*March 31, 2015*

<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>
<b>CASH AND EQUIVS.</b>						
	Delayed Interest		18		18	0.0
	Dividend Accrual		4,812		4,812	0.1
	Regions Trust Cash		86,687		86,687	1.7
	Sweep Institutional					
			91,516		91,516	1.8
<b>TOTAL PORTFOLIO</b>			<b>3,803,184</b>		<b>5,071,580</b>	<b>100.0</b>

Sawgrass Asset Management  
**INCOME AND EXPENSES**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
*From 03-01-15 Through 03-31-15*

<b>Ex-Date</b>	<b>Pay-Date</b>	<b>Security</b>	<b>Amount</b>
<b>COMMON STOCK</b>			
03-02-15	03-25-15	QUALCOMM INC COM	932
03-03-15	03-26-15	SOUTHWEST AIRLS CO COM	91
03-04-15	03-16-15	PRAXAIR INC COM	601
03-06-15	04-15-15	ECOLAB INC COM	274
03-09-15	04-01-15	FEDEX CORP COM	78
03-10-15	03-26-15	HOME DEPOT INC COM	537
03-11-15	04-06-15	WAL MART STORES INC COM	975
03-12-15	04-01-15	COCA COLA CO COM	785
03-25-15	04-24-15	DANAHER CORP COM	131
03-30-15	04-22-15	COMCAST CORP NEW CL A	872
03-30-15	04-23-15	EMC CORP/MASS	590
03-31-15	05-08-15	AMERICAN EXPRESS CO	257
			6,124
<b>CASH AND EQUIVS.</b>			
03-31-15	03-31-15	Regions Trust Cash Sweep Institutional	18
			18
<b>NET INCOME</b>			<b>6,142</b>

Sawgrass Asset Management  
**PURCHASE AND SALE**  
*City of Ormond Beach General Employees' Pension Plan*  
**Diversified Large Growth Equity**  
*From 03-01-15 To 03-31-15*

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
<b>PURCHASES</b>					
03-05-15	03-10-15	600.0000	ABBVIE INC. COM	57.59	34,551
03-05-15	03-10-15	300.0000	AMERICAN EXPRESS CO	81.04	24,313
03-05-15	03-10-15	300.0000	DOLLAR TREE STORES COM	79.42	23,827
03-05-15	03-10-15	100.0000	GOOGLE INC CL A	581.39	58,139
03-05-15	03-10-15	100.0000	INTERNATIONAL BUS MACH COM	160.46	16,046
03-05-15	03-10-15	700.0000	VERISK ANALYTICS INC CL A	71.01	49,708
					206,585
<b>SALES</b>					
03-05-15	03-10-15	700.0000	CVS HEALTH CORP	103.05	72,135
03-05-15	03-10-15	300.0000	DIRECTV COM	88.11	26,433
03-04-15	03-09-15	600.0000	KROGER CO	69.51	41,707
03-05-15	03-10-15	1,020.0000	VIACOM INC CL B	70.33	71,735
					212,010

Sawgrass Asset Management  
**BROKER COMMISSIONS**  
*From 01-01-15 to 03-31-15*

<u>Portfolio</u>	<u>Implied</u>	<u>Explicit</u>	<u>Total</u>
Bank of New York			
Lynch, Jones & Ryan			
City of Ormond Beach General	0	36	36
Employees' Pension Plan			
SUBTOTAL	<u>0</u>	<u>36</u>	<u>36</u>
TOTAL	0	36	36
Goldman Sachs Exe&Clearing			
Rosenblatt Securities Inc.			
City of Ormond Beach General	0	57	57
Employees' Pension Plan			
SUBTOTAL	<u>0</u>	<u>57</u>	<u>57</u>
TOTAL	0	57	57
Themis Trading LLC			
Themis Trading			
City of Ormond Beach General	0	32	32
Employees' Pension Plan			
SUBTOTAL	<u>0</u>	<u>32</u>	<u>32</u>
TOTAL	0	32	32

Sawgrass Asset Management  
**BROKER COMMISSIONS**  
*From 01-01-15 to 03-31-15*

<u>Portfolio</u>	<u>Implied</u>	<u>Explicit</u>	<u>Total</u>
Newport EMS/Instinet			
Newport EMS/Instinet			
City of Ormond Beach General Employees' Pension Plan	0	77	77
<b>SUBTOTAL</b>	<u>0</u>	<u>77</u>	<u>77</u>
<b>TOTAL</b>	0	77	77
<b>GRAND TOTAL</b>	<b>0</b>	<b>202</b>	<b>202</b>

## *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.*



## Quarterly Review

*March 31, 2015*

# City of Ormond Beach Pension Plans

Presented by:

Sawgrass Asset Management, L.L.C.  
(904) 493-5500

*Gregg Gosch*  
*Client Service Professional*



### Portfolio Market Values

#### Ormond Beach Firefighters

<b>Beginning Market Value on 12/31/14</b>	<b>3,043,684</b>
Cash Additions	0
Cash Withdrawals	-247
Investment Gain/Loss	51,580
<b>Ending Market Value on 03/31/15</b>	<b>3,095,017</b>

#### Ormond Beach General Employees

<b>Beginning Market Value on 12/31/14</b>	<b>4,992,445</b>
Cash Additions	0
Cash Withdrawals	-406
Investment Gain/Loss	79,541
<b>Ending Market Value on 03/31/15</b>	<b>5,071,580</b>

#### Ormond Beach Police Officers

<b>Beginning Market Value on 12/31/14</b>	<b>3,561,070</b>
Cash Additions	0
Cash Withdrawals	-289
Investment Gain/Loss	58,895
<b>Ending Market Value on 03/31/15</b>	<b>3,619,676</b>

### Portfolio Summary

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	78,140	2.5%
Equity	\$	3,016,877	97.5%
<b>TOTAL</b>	<b>\$</b>	<b>3,095,017</b>	<b>100.0%</b>

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	91,516	1.8%
Equity	\$	4,980,063	98.2%
<b>TOTAL</b>	<b>\$</b>	<b>5,071,580</b>	<b>100.0%</b>

<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	113,477	3.1%
Equity	\$	3,506,199	96.9%
<b>TOTAL</b>	<b>\$</b>	<b>3,619,676</b>	<b>100.0%</b>

## Portfolio Performance

### Ormond Beach Firefighters

	Q1 2015	1 Year	Since Inception Annualized*
<b>TOTAL PORTFOLIO</b>	<b>1.7%</b>	<b>13.8%</b>	<b>16.9%</b>
Russell 1000 Growth	3.8%	16.1%	17.0%

### Ormond Beach General Employees

	Q1 2015	1 Year	Since Inception Annualized*
<b>TOTAL PORTFOLIO</b>	<b>1.6%</b>	<b>13.8%</b>	<b>17.2%</b>
Russell 1000 Growth	3.8%	16.1%	17.0%

### Ormond Beach Police Officers

	Q1 2015	1 Year	Since Inception Annualized*
<b>TOTAL PORTFOLIO</b>	<b>1.7%</b>	<b>13.8%</b>	<b>17.3%</b>
Russell 1000 Growth	3.8%	16.1%	17.0%

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

# 1Q15 Portfolio Review & Outlook

## **Market Review: Choppy But Positive Returns**

- Despite a January pullback of -3.0% (S&P 500), the equity markets posted another positive quarter +1.0% (S&P 500).
- There were significant divergences during the quarter as small cap stocks outperformed large cap stocks (4.3% Russell 2000 vs. 1.5% Russell 1000) and growth stocks posted solid returns (4.0% Russell 3000 Growth) while value posted negative returns (-0.5% Russell 3000 Value).
- Sector returns were narrow as Discretionary and Healthcare posted strong returns while all other sectors were essentially flat to negative.
- The dollar continued its strength as the EU announced their version of QE resulting in negative interest rates in several EU countries.
- Oil slowed its decline but was modestly negative for the quarter.
- Despite a strong dollar, foreign stocks posted better returns as EAFE gained +5.0% even adjusting for dollar strength.

## **Portfolio Review:**

- The portfolio suffered its worst relative performance in more than three years as the market showed a more risky tone.
- Small and midcap stocks led the market and our above average size was a drag for the quarter.
- Biotech stocks were one of the strongest groups in the market and our underexposure did not help.
- Factor positioning was mixed as our lower volatility exposure was rewarded while our larger size and favorable valuation hurt. In the aggregate our factor exposure contribution was negative.
- Overall stock selection was weak, especially in Healthcare with our underexposure to Biotech and Technology with specific weakness in EMC and QCOM. SWN and AXP also contributed to our underperformance.
- On the whole, we were not surprised to give some ground after outperforming in five of six previous quarters. We were surprised, however, by the magnitude of the underperformance as a number of market trends worked against us.

## **Outlook:**

- The equity markets continued to push higher, recording a ninth consecutive positive quarter return.
- It is hard to justify such positive returns as prices have risen faster than earnings, pushing valuation measures above average.
- A strong dollar and weak oil prices contribute to the likelihood that S&P earnings will be negative year-over-year.
- Investors seem unconcerned as it has been almost four years since the equity markets have seen any meaningful pullback.
- While we recognize that the market can continue to move higher in this low interest rate, complacent environment, we are reticent to move up the risk scale given expanding valuations and an aging bull market.

## **Sawgrass Composite Portfolio versus Russell 1000 Growth (as of 1<sup>st</sup> Qtr 2015):**

### **What Helped:**

Low Volatility  
Staples Selection

### **What Hurt:**

Larger Size  
Underweight Biotech  
Healthcare, Technology Selection