

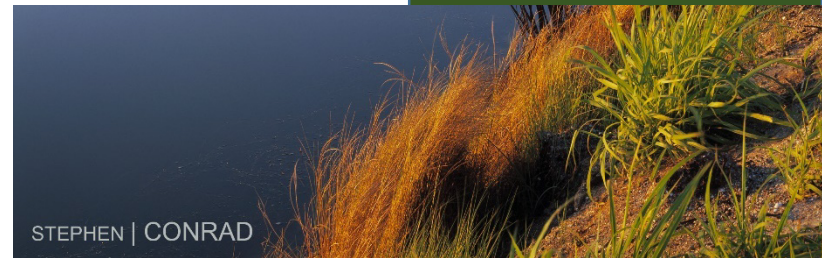
Investment Review

December 31, 2017

City of Sioux Falls General Employees' & Firefighters' Retirement Plans



Brian Monroe, MBA, Principal
Director of Marketing & Client Service

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Equity Portfolio Manager



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For Today's Meeting

-  Account & Performance Review
-  Market Review
-  Current Portfolio Positioning
-  Looking Forward



Portfolio Market Values

1 Year

Beginning Market Value on 12/31/16	49,183,102
Cash Additions	0
Cash Withdrawals	-4,763,726
Investment Gain/Loss	11,101,904
Ending Market Value on 12/31/17	55,521,279

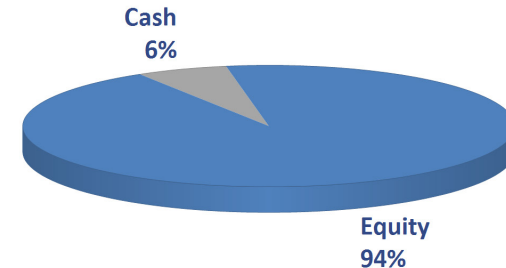
Since Inception

Beginning Market Value on 3/16/05	21,550,000
Cash Additions	4,908,570
Cash Withdrawals	-17,714,262
Investment Gain/Loss	46,776,972
Ending Market Value on 12/31/17	55,521,279

Portfolio Summary

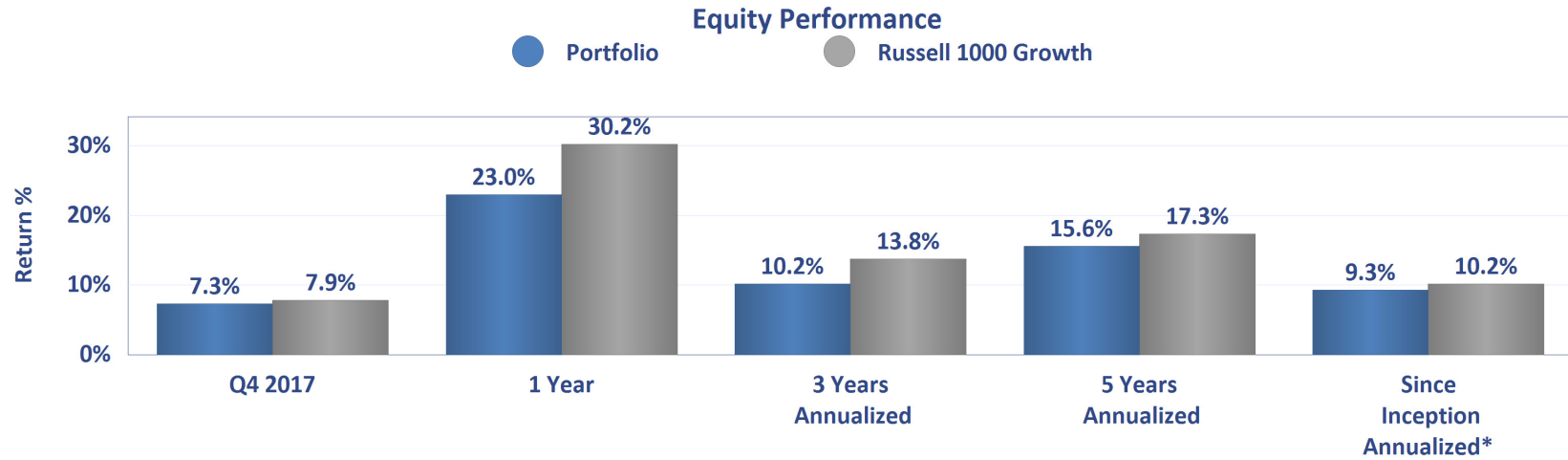
<u>Asset Class</u>	<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$ 3,329,737	6.0%
Equity	\$ 52,191,542	94.0%
TOTAL	\$ 55,521,279	100.0%

Asset Allocation





Portfolio Performance



	Q4 2017	1 Year	3 Years Annualized	5 Years Annualized	Since Inception Annualized*
TOTAL PORTFOLIO	7.3%	23.0%	10.2%	15.6%	9.3%
Russell 1000 Growth	7.9%	30.2%	13.8%	17.3%	10.2%
S&P 500	6.6%	21.8%	11.4%	15.8%	8.8%

* Since Inception 3/16/05
Returns are gross of investment management fees



Portfolio Market Values

1 Year

Beginning Market Value on 12/31/16	17,303,941
Cash Additions	0
Cash Withdrawals	-1,917,612
Investment Gain/Loss	3,892,754
Ending Market Value on 12/31/17	19,279,083

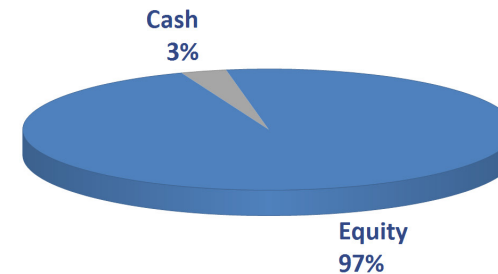
Since Inception

Beginning Market Value on 6/30/04	6,772,378
Cash Additions	2,560,201
Cash Withdrawals	-7,143,010
Investment Gain/Loss	17,089,514
Ending Market Value on 12/31/17	19,279,083

Portfolio Summary

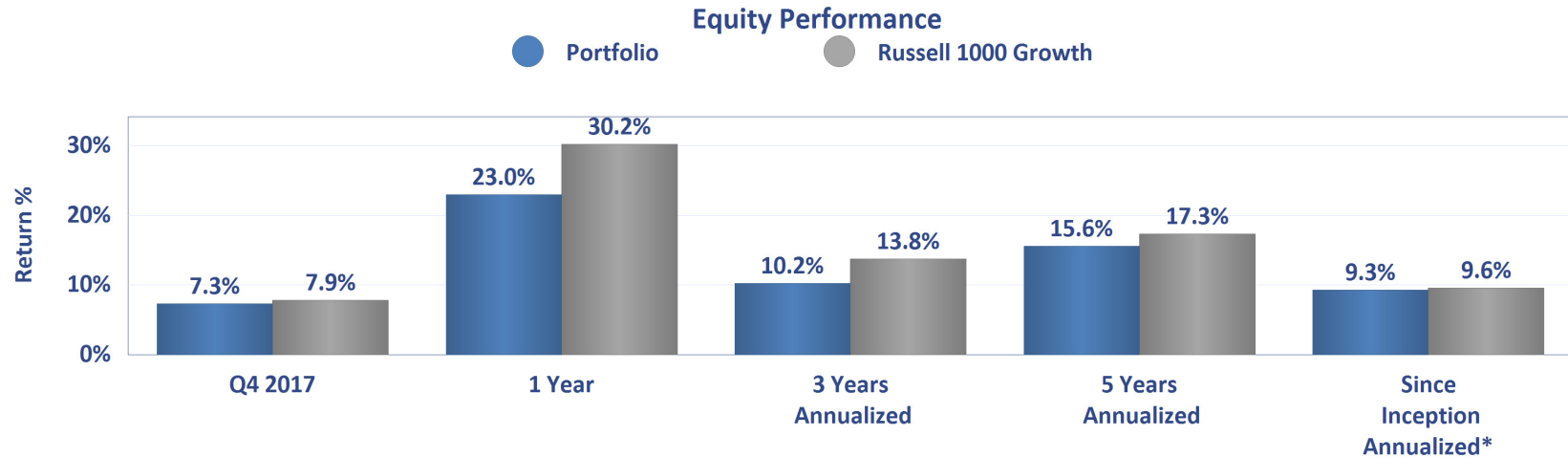
<u>Asset Class</u>		<u>Market Value</u>	<u>Percent of Assets</u>
Cash	\$	579,937	3.0%
Equity	\$	18,699,146	97.0%
TOTAL	\$	19,279,083	100.0%

Asset Allocation





Portfolio Performance

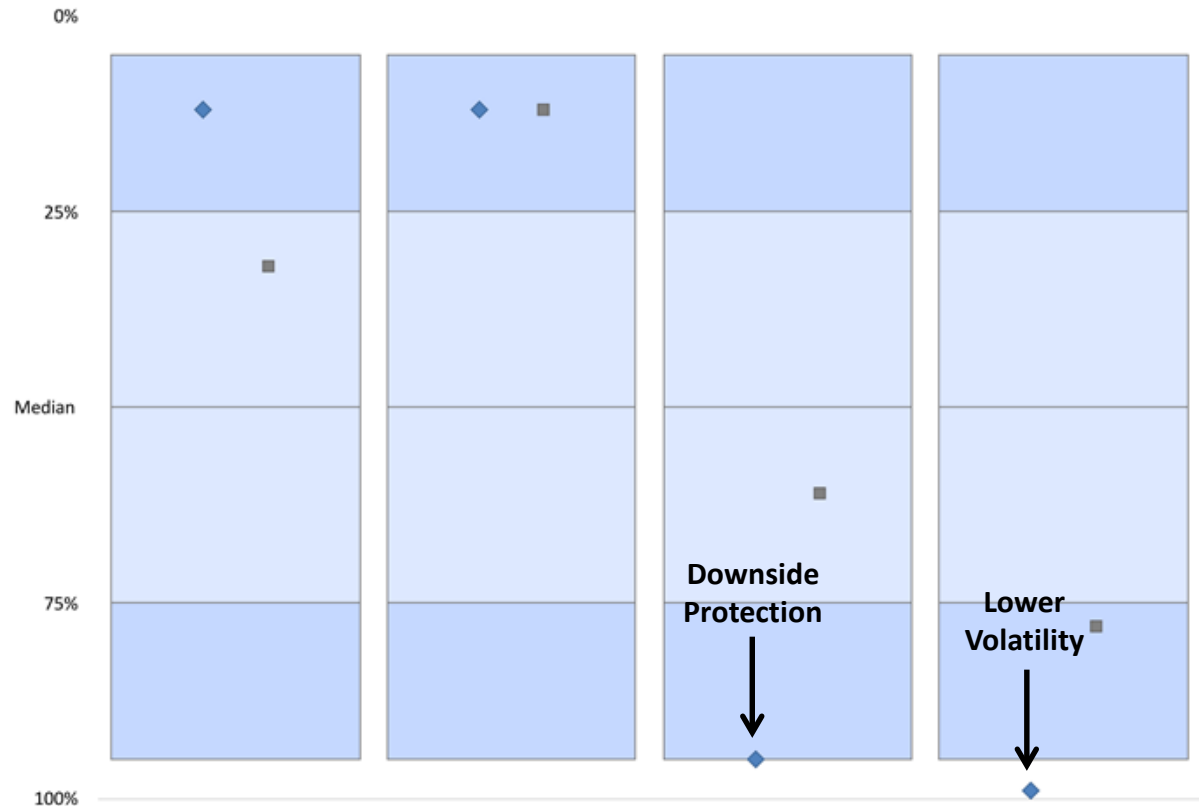


	Q4 2017	1 Year	3 Years Annualized	5 Years Annualized	Since Inception Annualized*
TOTAL PORTFOLIO	7.3%	23.0%	10.2%	15.6%	9.3%
Russell 1000 Growth	7.9%	30.2%	13.8%	17.3%	9.6%
S&P 500	6.6%	21.8%	11.4%	15.8%	8.8%

* Since Inception 6/30/04
Returns are gross of investment management fees

Sawgrass Diversified Large Growth Equity – 5 Year Peer Rankings

As Of: December 31, 2017



Universe: eVestment US Large Cap Growth Equity

	Annualized Alpha 5 Years ¹		Sharpe Ratio 5 Years ²		Downside Market Capture 5 Years ¹		Standard Deviation 5 Years	
		Rk		Rk		Rk		Rk
◆ Diversified Large Growth Equity	0.97	12	1.72	12	82.69	95	8.98	99
■ Russell 1000 Growth	0.00	32	1.71	12	100.00	61	9.98	78

Results displayed in USD.

¹Russell 1000 Growth; ²CGIgroup 3-Month T-Bill

of Observations - 286

Large Cap Growth Portfolio & Market Observations

- An integral part of our success is downside protection **within the context of a rising market**. 2017 was unique in its lack of downside action. Note the following unique (never before) occurrences:
 - December was the 14th consecutive month of positive return for the S&P 500
 - It has been 18 months since a 5% pullback has occurred for the S&P 500
 - Over the last 20 years the Russell 1000 Growth Index rose 278%. During this rise it has averaged 38 days a year of -1% or more. **2017 had 6**. Even during 2013 when the index was up 33% there were 15 such days. 2013 also saw declines of -7.8%, -5.1% and -3.6%. Last year had one decline more than -3% (-3.1%).
- Returns during 2017 were very concentrated as the top 10 contributors in the R1G (700+ stocks) represented 42% of the total return. By contrast 2013 when the index had a 33%+ return at the top ten represented only 23%. Concentration at the top is fine as long as those stocks at the top represent your style. This year had enough risky profile stocks to be challenging for us.
- While we lagged in the 4th quarter (-62 BP), we were in the game in a very strong quarter (7.2% Sawgrass, R1G 7.9%).
- 2017 was our worst relative year (-7.2%) since 2009 (-9.6%) and had a similar risky character to 2009.
- The last 18 months is the worst relative performance since 2009-2010. Before that was 1998-2000. The point being is that it does not happen very often.
- As late as 6/30/16 our 5 year results were ahead of a very strong benchmark, ranked well in the top decile of large growth managers.

Contribution to Return – Top 10/Bottom 10 - Quarter

Ticker	Security Name	Port. Beginning Weight	Port. Ending Weight	Total Return	Contribution To Return
MSFT	Microsoft Corporation	4.62	4.91	15.42	0.73
AAPL	Apple Inc.	5.20	5.27	10.20	0.56
NKE	NIKE, Inc	2.54	2.47	21.04	0.55
INTC	Intel Corporation	2.23	2.51	21.93	0.50
HD	Home Depot, Inc.	2.65	2.85	16.46	0.42
GOOGL	Alphabet Inc.	4.89	4.91	8.18	0.42
UNH	UnitedHealth Group	2.65	2.78	12.94	0.35
VZ	Verizon	1.87	3.03	8.24	0.31
VRSK	Verisk Analytics	1.98	1.18	15.40	0.29
MCD	McDonald's Corporation	2.14	2.19	10.50	0.23
DVMT	Dell Technologies Inc	0.36	0.35	5.27	0.02
FISV	Fiserv, Inc.	1.02	1.41	1.68	0.01
MKC	McCormick	2.62	2.42	0.27	(0.00)
ORCL	Oracle Corporation	1.96	2.09	(1.83)	(0.03)
MMC	Marsh & McLennan Companies, Inc.	2.41	2.18	(2.45)	(0.06)
AMGN	Amgen Inc.	0.99	1.18	(6.10)	(0.07)
HSIC	Henry Schein, Inc.	0.61	0.00	(14.57)	(0.09)
COO	Cooper Companies, Inc.	1.55	1.33	(8.11)	(0.12)
CERN	Cerner Corporation	2.35	2.07	(5.51)	(0.13)
CELG	Celgene Corporation	2.78	2.37	(28.43)	(0.82)

Tough quarter for Celgene dragged us just under the index.

Source: FactSet

Contribution to Return – Top 10/Bottom 10 – 1 Year

Ticker	Security Name	Port. Beginning Weight	Port. Ending Weight	Total Return	Contribution To Return
AAPL	Apple Inc.	5.27	5.27	48.48	2.54
MSFT	Microsoft Corporation	4.40	4.91	40.72	1.74
GOOGL	Alphabet Inc. Class A	4.56	4.91	32.93	1.55
ABBV	AbbVie, Inc.	1.21	1.85	60.13	1.23
MA	Mastercard Incorporated	2.55	2.33	47.68	1.22
HD	Home Depot, Inc.	2.61	2.85	44.61	1.14
UNH	UnitedHealth Group Incorporated	2.92	2.78	39.82	1.01
MCD	McDonald's Corporation	1.90	2.19	45.02	0.86
HON	Honeywell International Inc.	2.40	2.59	35.09	0.84
CBOE	Cboe Global Markets Inc	1.45	1.01	70.47	0.68
DIS	Walt Disney Company	2.34	2.37	4.77	0.02
LOGM	LogMeIn, Inc.	0.00	0.00	(7.13)	(0.03)
HSIC	Henry Schein, Inc.	0.87	0.00	(7.67)	(0.04)
GIS	General Mills, Inc.	1.68	0.00	(3.36)	(0.06)
AMGN	Amgen Inc.	0.00	1.18	(6.02)	(0.07)
OMC	Omnicom Group Inc	1.00	0.00	(13.49)	(0.13)
CELG	Celgene Corporation	1.91	2.37	(9.84)	(0.20)
FFIV	F5 Networks, Inc.	1.51	1.50	(9.33)	(0.22)
FAST	Fastenal Company	1.29	0.00	(13.13)	(0.26)
AZO	AutoZone, Inc.	2.65	0.00	(27.32)	(0.80)

Only one major torpedo for the year but in a market up 30%, no room for error.

Source: FactSet

Attribution – Performance by Security – 1 Year

Diversified Large Growth Equity Composite vs. Russell 1000 Growth Attribution

Sawgrass Russell Sector

12/30/2016 to 12/29/2017

	Diversified Large Growth Equity Composite			Russell 1000 Growth			Variation			Not Owned
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	
Information Technology	22.61	34.74	7.72	29.27	42.03	11.57	-6.66	-7.29	-3.85	
Facebook, Inc. Class A	--	53.38	--	3.05	53.38	1.46	-3.05	--	-1.46	
NVIDIA Corporation	--	81.98	--	0.69	81.98	0.45	-0.69	--	-0.45	
Apple Inc.	5.50	48.48	2.54	6.56	48.48	2.93	-1.05	--	-0.39	
Adobe Systems Incorporated	--	70.22	--	0.60	70.22	0.35	-0.60	--	-0.35	
Broadcom Limited	--	48.20	--	0.78	48.20	0.34	-0.78	--	-0.34	
Texas Instruments Incorporated	--	46.77	--	0.72	46.77	0.31	-0.72	--	-0.31	
salesforce.com, inc.	--	49.33	--	0.51	49.33	0.23	-0.51	--	-0.23	-3.14
F5 Networks, Inc.	1.35	-9.33	-0.22	0.07	-9.33	-0.01	1.27	--	-0.21	
Microsoft Corporation	4.58	40.72	1.74	4.61	40.72	1.77	-0.03	--	-0.03	
Dell Technologies Inc Class V	0.33	47.86	0.15	0.07	47.86	0.04	0.26	--	0.11	
VMware, Inc. Class A	0.46	59.18	0.32	0.04	59.18	0.03	0.42	--	0.30	
Citrix Systems, Inc.	1.27	24.22	0.47	0.11	24.22	0.03	1.16	--	0.44	
Oracle Corporation	1.98	24.93	0.53	0.10	24.93	0.03	1.87	--	0.50	
Intel Corporation	2.27	30.84	0.66	0.06	30.84	-0.01	2.21	--	0.67	
Alphabet Inc. Class A	4.86	32.93	1.55	2.36	32.93	0.76	2.49	--	0.79	
Consumer Discretionary	20.23	13.21	2.54	20.55	25.90	5.44	-0.32	-12.69	-2.90	
Amazon.com, Inc.	--	55.96	--	3.23	55.96	1.60	-3.23	--	-1.60	
AutoZone, Inc.	1.10	-9.93	-0.80	0.15	-9.93	-0.04	0.95	--	-0.76	
Netflix, Inc.	--	55.06	--	0.57	55.06	0.29	-0.57	--	-0.29	
Priceline Group Inc	--	18.53	--	0.76	18.53	0.17	-0.76	--	-0.17	
Tesla Inc	--	45.70	--	0.33	45.70	0.12	-0.33	--	-0.12	-2.17
Omnicom Group Inc	0.59	-11.93	-0.13	0.16	-11.93	-0.02	0.43	--	-0.11	
Walt Disney Company	2.54	4.77	0.02	1.23	4.77	0.06	1.31	--	-0.05	
Dollar Tree, Inc.	0.51	39.04	0.04	0.15	39.04	0.06	0.35	--	-0.02	
Starbucks Corporation	1.83	5.37	0.04	0.69	5.37	0.05	1.14	--	-0.01	
TJX Companies Inc	2.27	3.45	0.05	0.41	3.45	0.01	1.85	--	0.03	

Attribution – Performance by Security - 1 Year (cont.)

	Diversified Large Growth Equity Composite			Russell 1000 Growth			Variation			Not Owned
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	
Consumer Discretionary (Cont.)	20.23	13.21	2.54	20.55	25.90	5.44	-0.32	-12.69	-2.90	
Comcast Corporation Class A	2.66	17.44	0.46	1.44	17.44	0.27	1.22	--	0.19	
Costco Wholesale Corporation	1.35	22.37	0.34	0.62	22.37	0.14	0.72	--	0.20	
NIKE, Inc. Class B	2.55	24.70	0.53	0.63	24.70	0.16	1.92	--	0.38	
McDonald's Corporation	2.09	45.02	0.86	1.04	45.02	0.44	1.05	--	0.43	
Home Depot, Inc.	2.75	44.61	1.14	1.61	44.61	0.67	1.14	--	0.47	
Materials	2.83	3.35	0.03	4.12	22.20	0.94	-1.29	-18.84	-0.90	
Fastenal Company	0.89	19.67	-0.26	0.12	19.67	0.02	0.78	--	-0.28	
Ecolab Inc.	1.94	15.80	0.30	0.28	15.80	0.05	1.65	--	0.25	
Consumer Staples	6.92	11.33	0.73	7.17	10.89	0.85	-0.25	0.44	-0.12	
General Mills, Inc.	0.22	-0.63	-0.06	0.24	-0.63	-0.02	-0.03	--	-0.04	
Dr Pepper Snapple Group, Inc.	1.42	9.74	0.02	0.14	9.74	0.01	1.28	--	0.01	
Clorox Company	0.62	27.12	0.14	0.13	27.12	0.03	0.50	--	0.10	
Coca-Cola Company	2.35	14.37	0.37	1.09	14.37	0.17	1.25	--	0.21	
McCormick & Company, Incorporated	2.30	11.34	0.25	0.10	11.34	0.01	2.21	--	0.24	
Financials	9.43	37.05	3.31	10.39	33.49	3.42	-0.97	3.56	-0.11	
Fiserv, Inc.	0.27	23.38	0.03	0.22	23.38	0.06	0.04	--	-0.02	
Berkshire Hathaway Inc. Class B	1.77	21.62	0.37	--	21.62	--	1.77	--	0.37	
Marsh & McLennan Companies, Inc.	2.19	22.72	0.50	0.34	22.72	0.08	1.85	--	0.42	
Broadridge Financial Solutions, Inc.	1.38	39.09	0.51	0.08	39.09	0.03	1.30	--	0.48	
Cboe Global Markets Inc	1.12	70.47	0.68	0.08	70.47	0.05	1.04	--	0.63	
Mastercard Incorporated Class A	2.70	47.68	1.22	1.03	47.68	0.46	1.68	--	0.76	
Industrials	13.50	30.03	3.94	12.42	32.65	3.95	1.08	-2.62	-0.01	
Boeing Company	--	94.77	--	1.05	94.77	0.78	-1.05	--	-0.78	
Caterpillar Inc.	--	75.00	--	0.28	75.00	0.25	-0.28	--	-0.25	-1.03
Lockheed Martin Corporation	0.68	31.75	0.19	0.58	31.75	0.19	0.10	--	0.01	
3M Company	1.57	34.92	0.52	1.02	34.92	0.34	0.55	--	0.18	
Union Pacific Corporation	1.10	32.24	0.37	0.42	32.24	0.17	0.68	--	0.20	
FedEx Corporation	1.17	35.22	0.38	0.44	35.22	0.14	0.73	--	0.23	

Attribution – Performance by Security - 1 Year (cont.)

	Diversified Large Growth Equity Composite			Russell 1000 Growth			Variation			Not Owned
	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	Average Weight	Total Return	Contribution To Return	
Industrials (Cont.)	13.50	30.03	3.94	12.42	32.65	3.95	1.08	-2.62	-0.01	
Fortive Corp.	0.86	35.50	0.27	0.10	35.50	0.03	0.75	--	0.24	
Illinois Tool Works Inc.	1.25	38.92	0.42	0.36	38.92	0.13	0.89	--	0.29	
Verisk Analytics Inc	2.19	18.27	0.41	0.11	18.27	0.02	2.08	--	0.39	
Expeditors International of Washingt	2.17	23.91	0.53	0.06	23.91	0.01	2.11	--	0.52	
Honeywell International Inc.	2.52	35.09	0.84	0.68	35.09	0.24	1.84	--	0.60	
Energy	--	--	--	0.68	-5.75	0.00	-0.68	5.75	-0.00	
[Unassigned]	--	--	--	--	--	--	--	--	--	
[Cash]	3.99	0.92	0.04	--	--	--	3.99	0.92	0.04	
Utilities	2.30	4.02	0.09	1.01	5.61	0.02	1.29	-1.59	0.07	
Verizon Communications Inc.	2.30	4.02	0.09	0.84	4.02	-0.00	1.46	--	0.09	
Health Care	18.20	26.01	4.62	14.41	25.42	4.02	3.79	0.59	0.60	
Amgen Inc.	0.25	22.25	-0.07	0.68	22.25	0.25	-0.43	--	-0.31	
Vertex Pharmaceuticals Incorporated	--	103.42	--	0.27	103.42	0.19	-0.27	--	-0.19	
Intuitive Surgical, Inc.	--	72.64	--	0.29	72.64	0.18	-0.29	--	-0.18	
Celgene Corporation	2.26	-9.84	-0.20	0.81	-9.84	-0.06	1.45	--	-0.15	
Illumina, Inc.	--	70.64	--	0.23	70.64	0.14	-0.23	--	-0.14	-0.51
Varex Imaging Corporation	0.05	--	0.04	0.00	--	0.00	0.04	--	0.03	
Express Scripts Holding Company	0.04	8.50	0.02	0.16	8.50	-0.02	-0.12	--	0.04	
Cerner Corporation	0.88	42.26	0.15	0.16	42.26	0.06	0.72	--	0.08	
Cooper Companies, Inc.	1.16	24.59	0.19	0.07	24.59	0.02	1.09	--	0.18	
Danaher Corporation	1.49	20.01	0.30	0.06	20.01	0.01	1.44	--	0.28	
Abbott Laboratories	0.81	52.00	0.38	0.03	52.00	0.02	0.78	--	0.36	
Varian Medical Systems, Inc.	1.27	40.00	0.45	0.08	40.00	0.03	1.19	--	0.42	
UnitedHealth Group Incorporated	2.73	39.82	1.01	1.50	39.82	0.56	1.23	--	0.44	
Johnson & Johnson	2.35	24.40	0.57	0.49	24.40	0.12	1.86	--	0.44	
Laboratory Corporation of America H	1.93	24.25	0.54	0.03	24.25	0.01	1.90	--	0.53	
AbbVie, Inc.	2.08	60.13	1.23	1.02	60.13	0.54	1.06	--	0.69	
Total	100.00	23.02	23.02	100.00	30.21	30.21	--	-7.19	-7.19	-6.84

2 Factor Attribution – Performance by Sector - Quarter

Sawgrass Diversified Large Growth vs. Russell 1000 Growth
09/29/2017 to 12/29/2017

Sector	Sawgrass Diversified Large Growth			Russell 1000 Growth			Variation			Attribution Analysis		
	Port. Average Weight	Port. Total Return	Port. Contrib. To Return	Bench. Average Weight	Bench. Total Return	Bench. Contrib. To Return	Average Weight Difference	Total Return Difference	Contrib. To Return Difference	Allocation Effect	Selection + Interaction	Total Effect
Total	100.00	7.24	7.24	100.00	7.86	7.86	0.00	(0.63)	(0.63)	(0.69)	0.06	(0.63)
Discretionary	16.90	10.84	1.78	18.78	10.65	1.95	(1.89)	0.19	(0.17)	(0.05)	0.03	(0.02)
Staples	6.66	4.54	0.26	5.85	8.74	0.50	0.81	(4.20)	(0.24)	(0.02)	(0.29)	(0.31)
Energy	0.00	0.00	0.00	0.86	6.00	0.05	(0.86)	(6.00)	(0.05)	0.02	0.00	0.02
Financials	10.38	6.55	0.70	10.89	7.55	0.83	(0.52)	(1.00)	(0.13)	0.00	(0.11)	(0.11)
Health Care	19.31	(0.22)	(0.06)	13.02	0.79	0.11	6.29	(1.02)	(0.17)	(0.46)	(0.23)	(0.69)
Industrials	14.89	10.52	1.54	13.43	10.20	1.34	1.46	0.32	0.20	0.03	0.05	0.08
Technology	23.36	11.23	2.59	32.03	8.50	2.76	(8.67)	2.73	(0.17)	(0.07)	0.61	0.54
Materials	2.12	4.65	0.10	4.18	6.00	0.25	(2.06)	(1.35)	(0.15)	0.04	(0.03)	0.01
Utilities	2.45	8.24	0.31	0.96	7.72	0.07	1.49	0.53	0.24	0.13	0.02	0.15
[Cash]	3.94	0.29	0.01	0.00	0.00	0.00	3.94	0.29	0.01	(0.30)	0.00	(0.30)

Technology & Discretionary continued to be the largest contributors.

Our Tech selection kept us in the game, but our Healthcare overweight and selection left us just short for the quarter.

Source: FactSet

Attribution – Performance by Security - Quarter

Sawgrass Diversified Large Growth vs. Russell 1000 Growth
09/29/2017 to 12/29/2017

Sawgrass Russell Sector	Sawgrass Diversified Large Growth			Russell 1000 Growth			Variation		
	Port. Average Weight	Port. Total Return	Port. Contrib. To Return	Bench. Average Weight	Bench. Total Return	Bench. Contrib. To Return	Average Weight Difference	Total Return Difference	Contrib. To Return Difference
Total	100.00	7.24	7.24	100.00	7.86	7.86	0.00	(0.63)	(0.63)
Consumer Discretionary	16.90	10.84	1.78	18.78	10.65	1.95	(1.89)	0.19	(0.17)
NIKE, Inc. Class B	2.64	21.04	0.55	0.61	21.04	0.12	2.03	0.00	0.43
Home Depot, Inc.	2.69	16.46	0.42	1.65	16.46	0.26	1.03	0.00	0.16
McDonald's Corporation	2.20	10.50	0.23	1.09	10.50	0.11	1.11	0.00	0.12
Walt Disney Company	2.03	9.95	0.19	0.88	9.95	0.09	1.15	0.00	0.11
Starbucks Corporation	1.98	7.49	0.14	0.64	7.49	0.05	1.34	0.00	0.09
TJX Companies Inc	2.18	4.18	0.08	0.37	4.18	0.01	1.81	0.00	0.06
Costco Wholesale Corporation	0.79	13.62	0.10	0.60	13.62	0.08	0.18	0.00	0.02
Comcast Corporation Class A	2.40	4.51	0.07	1.31	4.51	0.05	1.09	0.00	0.02
Consumer Staples	6.66	4.54	0.26	5.85	8.74	0.50	0.81	(4.20)	(0.24)
Clorox Company	1.40	13.50	0.18	0.12	13.50	0.02	1.28	0.00	0.17
Coca-Cola Company	1.93	2.76	0.06	1.06	2.76	0.03	0.87	0.00	0.02
Dr Pepper Snapple Group, Inc.	0.88	10.39	0.03	0.13	10.39	0.01	0.75	0.00	0.01
McCormick & Company, Incorporated	2.45	0.27	(0.00)	0.10	0.27	(0.00)	2.35	0.00	(0.00)
Financials	10.38	6.55	0.70	10.89	7.55	0.83	(0.52)	(1.00)	(0.13)
Broadridge Financial Solutions, Inc.	1.51	12.54	0.19	0.08	12.54	0.01	1.43	0.00	0.18
Cboe Global Markets Inc	1.17	16.01	0.19	0.10	16.01	0.02	1.07	0.00	0.17
Berkshire Hathaway Inc. Class B	1.79	8.13	0.14	0.00	0.00	0.00	1.79	8.13	0.14
Mastercard Incorporated Class A	2.60	7.36	0.22	1.12	7.36	0.08	1.48	0.00	0.14
Fiserv, Inc.	1.00	1.68	0.01	0.22	1.68	0.00	0.78	0.00	0.01
Marsh & McLennan Companies, Inc.	2.30	(2.45)	(0.06)	0.34	(2.45)	(0.01)	1.96	0.00	(0.05)

Attribution – Performance by Security - Quarter (cont.)

Sawgrass Russell Sector	Sawgrass Diversified Large Growth			Russell 1000 Growth			Variation		
	Port. Average Weight	Port. Total Return	Port. Contrib. To Return	Bench. Average Weight	Bench. Total Return	Bench. Contrib. To Return	Average Weight Difference	Total Return Difference	Contrib. To Return Difference
Health Care	19.31	(0.22)	(0.06)	13.02	0.79	0.11	6.29	(1.02)	(0.17)
Johnson & Johnson	2.35	8.12	0.20	0.46	8.12	0.04	1.89	0.00	0.16
UnitedHealth Group Incorporated	2.76	12.94	0.35	1.62	12.94	0.20	1.13	0.00	0.15
Varian Medical Systems, Inc.	1.34	11.08	0.15	0.08	11.08	0.01	1.26	0.00	0.14
AbbVie, Inc.	2.15	9.60	0.22	1.20	9.60	0.11	0.95	0.00	0.11
Danaher Corporation	1.11	8.37	0.09	0.00	0.00	0.00	1.11	8.37	0.09
Laboratory Corporation of America Holdings	1.64	5.66	0.09	0.00	0.00	0.00	1.64	5.66	0.09
Abbott Laboratories	0.86	7.47	0.06	0.00	0.00	0.00	0.86	7.47	0.06
Amgen Inc.	0.92	(6.10)	(0.07)	0.30	(6.10)	(0.02)	0.62	0.00	(0.05)
Henry Schein, Inc.	0.24	(14.57)	(0.09)	0.09	(14.77)	(0.02)	0.14	0.20	(0.08)
Cooper Companies, Inc.	1.48	(8.11)	(0.12)	0.07	(8.11)	(0.01)	1.40	0.00	(0.11)
Cerner Corporation	2.20	(5.51)	(0.13)	0.16	(5.51)	(0.01)	2.04	0.00	(0.12)
Celgene Corporation	2.26	(28.43)	(0.82)	0.70	(28.43)	(0.28)	1.56	0.00	(0.54)
Industrials	14.89	10.52	1.54	13.43	10.20	1.34	1.46	0.32	0.20
Verisk Analytics Inc	1.88	15.40	0.29	0.11	15.40	0.02	1.77	0.00	0.28
Expeditors International of Washington, Inc.	2.20	8.77	0.19	0.06	8.77	0.01	2.14	0.00	0.18
Honeywell International Inc.	2.59	8.75	0.23	0.53	8.75	0.05	2.06	0.00	0.18
Illinois Tool Works Inc.	1.48	13.29	0.19	0.39	13.29	0.05	1.09	0.00	0.14
Union Pacific Corporation	1.50	16.26	0.23	0.70	16.26	0.11	0.79	0.00	0.12
FedEx Corporation	1.20	10.85	0.12	0.45	10.85	0.05	0.75	0.00	0.08
3M Company	1.64	12.70	0.21	1.07	12.70	0.13	0.57	0.00	0.07
Lockheed Martin Corporation	1.34	4.12	0.06	0.57	4.12	0.02	0.77	0.00	0.03
Fortive Corp.	1.06	2.30	0.03	0.16	2.30	0.00	0.90	0.00	0.02

Attribution – Performance by Security – Quarter (cont.)

Sawgrass Russell Sector	Sawgrass Diversified Large Growth			Russell 1000 Growth			Variation		
	Port. Average Weight	Port. Total Return	Port. Contrib. To Return	Bench. Average Weight	Bench. Total Return	Bench. Contrib. To Return	Average Weight Difference	Total Return Difference	Contrib. To Return Difference
Information Technology	23.36	11.23	2.59	32.03	8.50	2.76	(8.67)	2.73	(0.17)
Intel Corporation	2.45	21.93	0.50	0.00	0.00	0.00	2.45	21.93	0.50
Alphabet Inc. Class A	4.98	8.18	0.42	2.46	8.18	0.20	2.52	0.00	0.21
VMware, Inc. Class A	1.31	14.77	0.19	0.07	14.77	0.01	1.24	0.00	0.18
Citrix Systems, Inc.	0.89	14.55	0.12	0.10	14.55	0.01	0.78	0.00	0.11
F5 Networks, Inc.	1.15	8.84	0.09	0.06	8.84	0.01	1.09	0.00	0.09
Dell Technologies Inc Class V	0.36	5.27	0.02	0.13	5.27	0.01	0.23	0.00	0.01
Microsoft Corporation	4.88	15.42	0.73	4.92	15.42	0.73	(0.04)	0.00	(0.00)
Oracle Corporation	1.92	(1.83)	(0.03)	0.09	(1.83)	(0.00)	1.83	0.00	(0.03)
Apple Inc.	5.42	10.20	0.56	6.96	10.20	0.71	(1.54)	0.00	(0.15)
Materials	2.12	4.65	0.10	4.18	6.00	0.25	(2.06)	(1.35)	(0.15)
Ecolab Inc.	2.12	4.65	0.10	0.27	4.65	0.01	1.85	0.00	0.09
Utilities	2.45	8.24	0.31	0.96	7.72	0.07	1.49	0.53	0.24
Verizon Communications Inc.	2.45	8.24	0.31	0.80	8.24	0.06	1.65	0.00	0.24



Portfolio Characteristics

	Portfolio*	Russell 1000 Growth
1 Yr Forecast EPS Growth (FE)	10.0	13.6
P/E LTM (FF)	25.7	30.1
Price to Cash Flow	16.2	17.8
Price to Sales	4.4	5.6
Price to Book	6.5	7.4
Weighted Average - Market Cap - \$ Billion	214.5	227.9
# of Securities	49	551

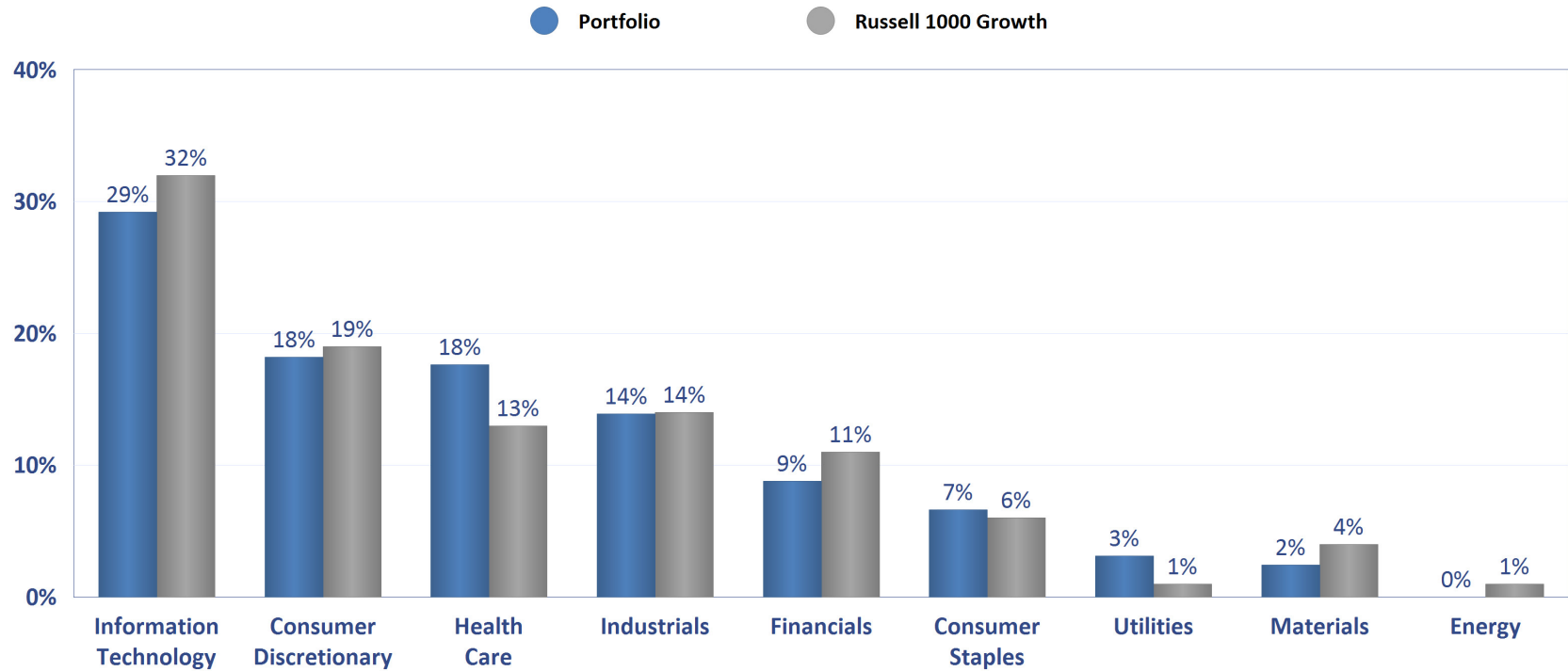
Top 10 Holdings

Ten Largest Holdings	Percent of Equity
Alphabet Inc	5.11%
Microsoft Corp	5.09%
Apple Inc	4.90%
Verizon Communications	3.13%
Home Depot Inc	2.96%
United Healthcare Corp	2.87%
Honeywell Intl Inc	2.67%
Intel Corp	2.59%
TJX Cos Inc	2.57%
Nike Inc.	2.55%
TOTAL	34.44%

**Diversified Large Growth Equity Composite Data*



Sector Breakdown



Portfolio Changes

Sawgrass Russell Sector	09/29/2017	12/29/2017	Changes	Sawgrass Russell Sector	09/29/2017	12/29/2017	Changes
Consumer Discretionary	16.92	17.60		Industrials	14.94	14.65	
Comcast Corporation	2.70	2.21	(0.48)	3M Company	1.56	1.62	
Costco Wholesale Corporation	0.78	0.82		Expeditors International of Washington, Inc.	2.24	2.25	
Home Depot, Inc.	2.65	2.85		FedEx Corporation	1.23	1.27	
McDonald's Corporation	2.14	2.19		Fortive Corp.	1.07	1.02	
NIKE, Inc.	2.54	2.47		Honeywell International Inc.	2.57	2.59	
Starbucks Corporation	1.82	2.21	0.39	Illinois Tool Works Inc.	1.43	1.50	
TJX Companies Inc	2.29	2.48	0.19	Lockheed Martin Corporation	1.36	1.62	0.26
Walt Disney Company	2.00	2.37	0.37	Union Pacific Corporation	1.50	1.61	
Consumer Staples	7.60	6.40		Verisk Analytics Inc	1.98	1.18	(0.80)
Clorox Company	1.42	1.48		Information Technology	22.32	23.75	
Coca-Cola Company	1.96	1.86		Alphabet Inc.	4.89	4.91	
Dr Pepper Snapple	1.60	0.64	(0.96)	Apple Inc.	5.20	5.27	
McCormick & Company,	2.62	2.42		Citrix Systems, Inc.	0.84	0.89	
Financials	10.96	10.26		Dell Technologies Inc	0.36	0.35	
Berkshire Hathaway Inc.	1.80	1.80		F5 Networks, Inc.	1.00	1.50	0.50
Broadridge Financial Solutions	1.46	1.52		Intel Corporation	2.23	2.51	
Cboe Global Markets Inc	1.22	1.01	(0.21)	Microsoft Corporation	4.62	4.91	
Fiserv, Inc.	1.02	1.41	0.39	Oracle Corporation	1.96	2.09	0.13
Marsh & McLennan Companies, Inc.	2.41	2.18		VMware, Inc.	1.24	1.32	
Mastercard Incorporated	3.05	2.33	(0.72)	Materials	2.12	2.36	
Health Care	20.89	19.14		Ecolab Inc.	2.12	2.36	0.24
Abbott Laboratories	0.87	0.86		Utilities	1.87	3.03	
AbbVie, Inc.	2.91	1.85	(1.06)	Verizon Communications Inc.	1.87	3.03	1.15
Amgen Inc.	0.99	1.18	0.19				
Celgene Corporation	2.78	2.37	(0.41)	SOLD			
Cerner Corporation	2.35	2.07		Henry Schein, Inc.			
Cooper Companies, Inc.	1.55	1.33					
Danaher Corporation	1.08	1.09					
Henry Schein, Inc.	0.61	0.00	(0.61)				
Johnson & Johnson	2.29	2.28					
Laboratory Corporation of America Holdings	1.50	2.00	0.50				
UnitedHealth Group Incorporated	2.65	2.78					
Varian Medical Systems, Inc.	1.29	1.34					

Source: FactSet

Performance: Three Phases of a Market Cycle

Consistent Results Across Various Markets

Negative Markets			Positive Markets (0-15% Returns)			Strong Positive Markets (>15% Returns)		
Year	Sawgrass	R1000G	Year	Sawgrass	R1000G	Year	Sawgrass	R1000G
2000	-12.10%	-22.42%	2004	7.11%	6.30%	1998*	12.37%	20.45%
2001	0.65%	-20.42%	2005	8.16%	5.26%	1999	15.80%	33.16%
2002	-19.74%	-27.88%	2006	10.42%	9.07%	2003	27.47%	29.75%
2008	-36.83%	-38.44%	2007	13.20%	11.81%	2009	28.54%	37.21%
			2011	9.29%	2.64%	2010	10.85%	16.71%
			2014	13.92%	13.05%	2012	14.28%	15.26%
			2015	2.28%	5.67%	2013	35.51%	33.48%
			2016	6.54%	7.08%	2017	23.05%	30.21%
Number of Years Sawgrass Outperformed			Number of Years Sawgrass Outperformed			Number of Years Sawgrass Outperformed		
4 / 4			6 / 8			1 / 8		

Performance Across Various Markets		
As of Year-End 2017	Sawgrass	R1000G
Cumulative Return*	296.82%	227.84%
Annualized Return*	7.23%	6.20%
Standard Deviation*	13.29	17.1

**Since March 31, 1998 Inception*

Market Cycle Experience – The Power of Downside Protection

Past Periods of Large Cap Relative Underperformance And Subsequent Period Returns

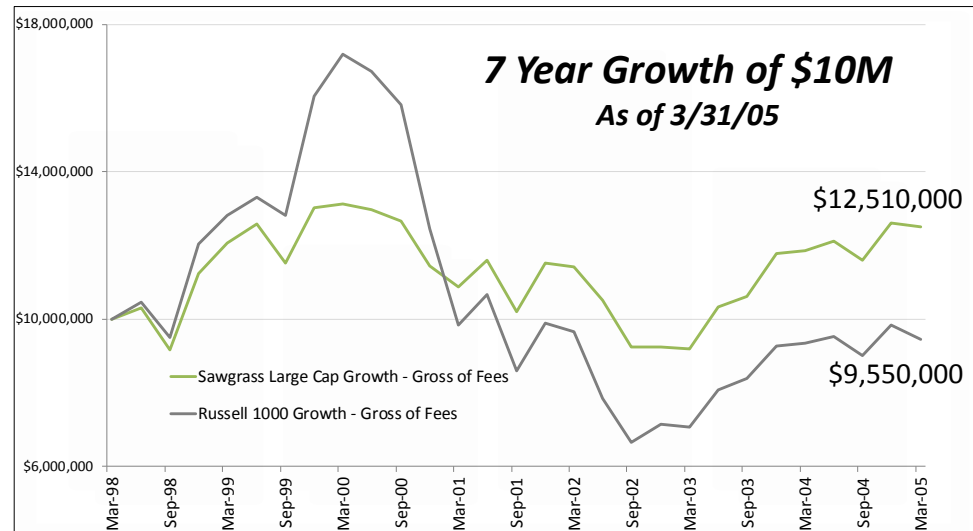
Last 2 Years of Tech Bubble –
3/31/98 – 3/31/00

Next 5 Years –
3/31/00 – 3/31/05

	Sawgrass Large Cap (%)	Russell 1000 Growth (%)	Diff		Sawgrass Large Cap (%)	Russell 1000 Growth (%)	Diff
Cumulative	31.2	71.8	-40.6	→	-4.6	-45.0	40.4

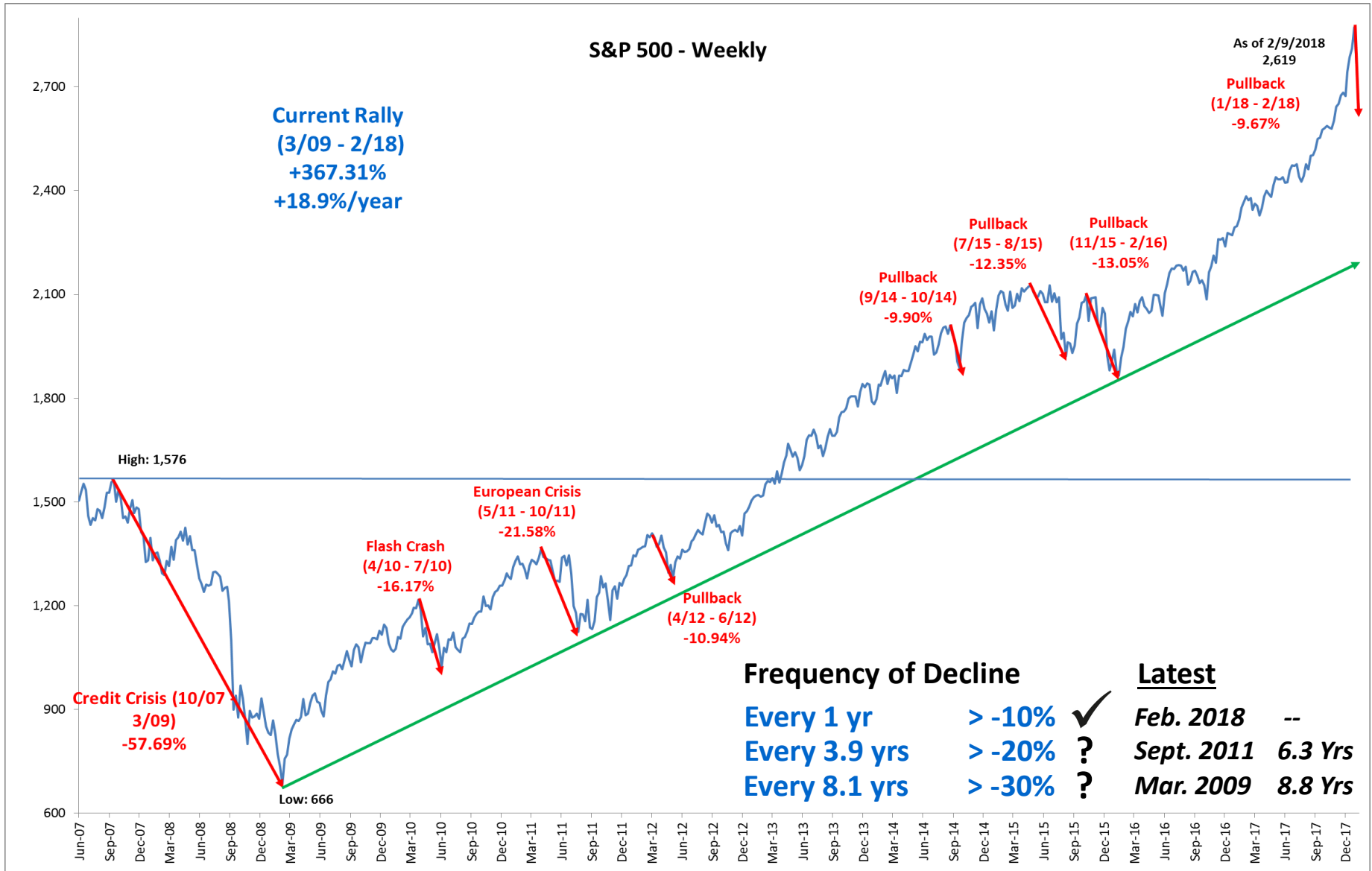
7 Year Cumulative Return
As of 3/31/05

Sawgrass Large Cap (%)	Russell 1000 Growth (%)	Diff
25.1	-5.5	30.6

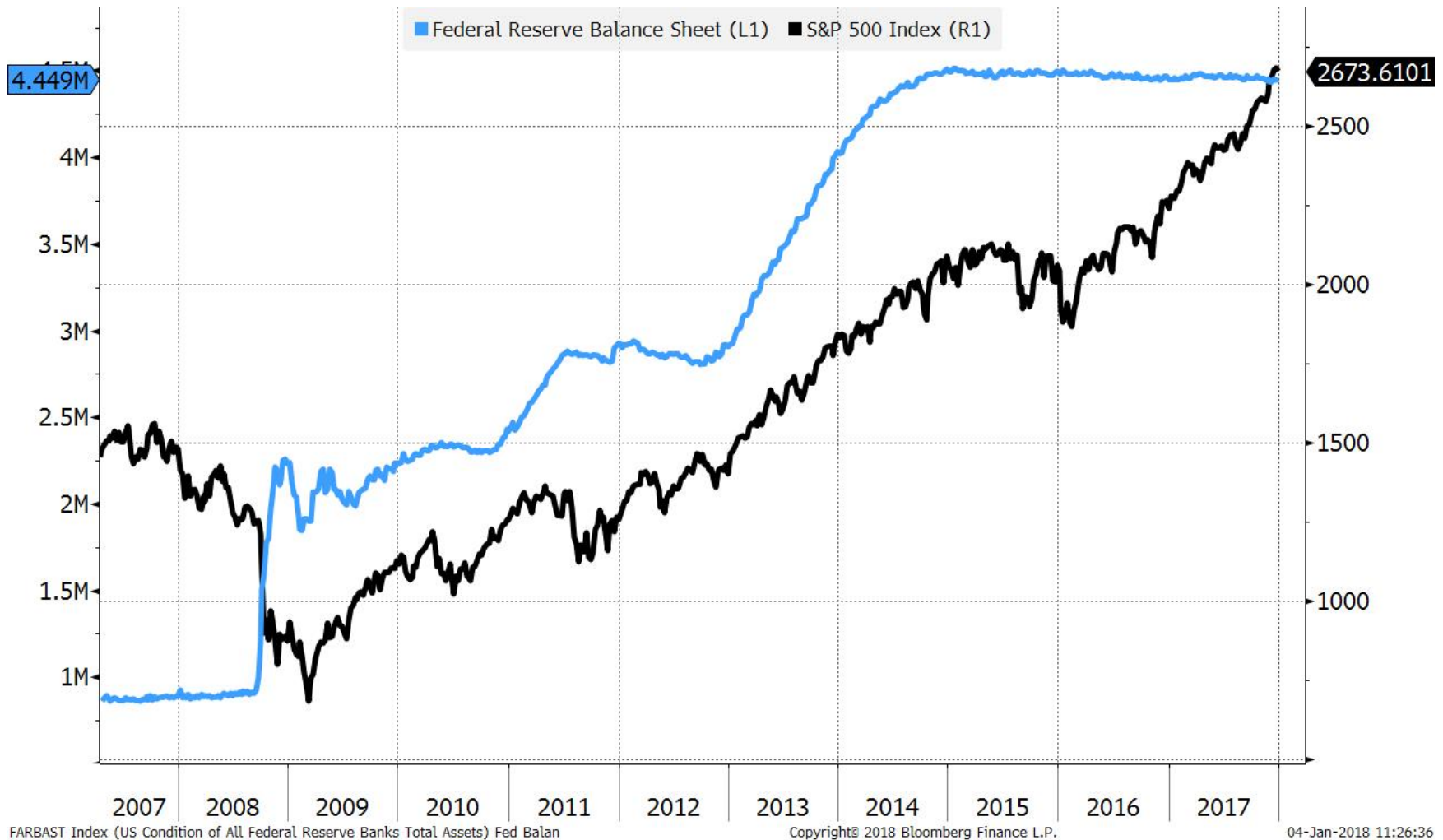


Source: Advent Axys and eVestment Alliance.

Can We Keep This Rally Going?

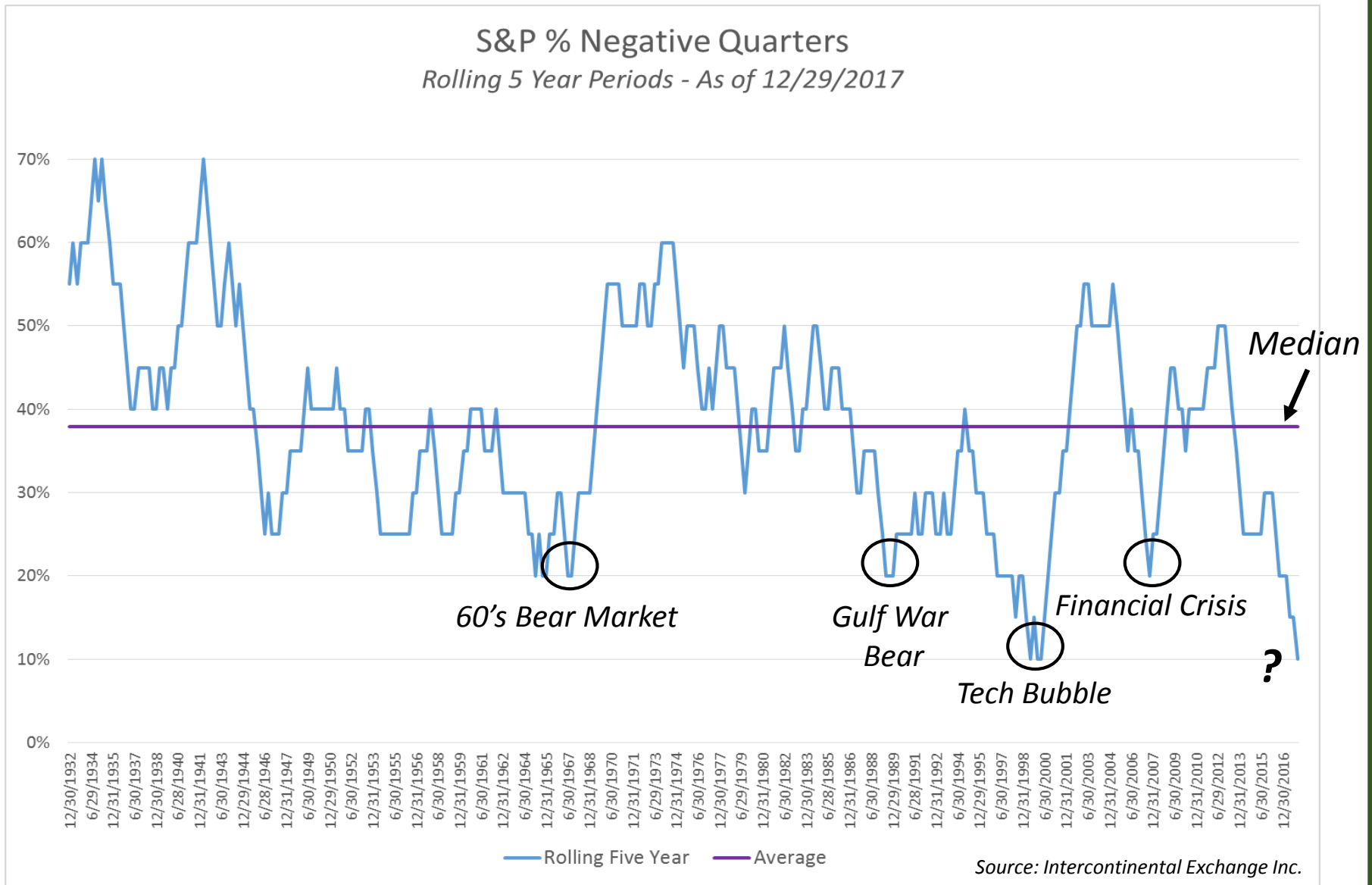


Unprecedented Fed Liquidity – Explosion of the Federal Reserve Balance Sheet

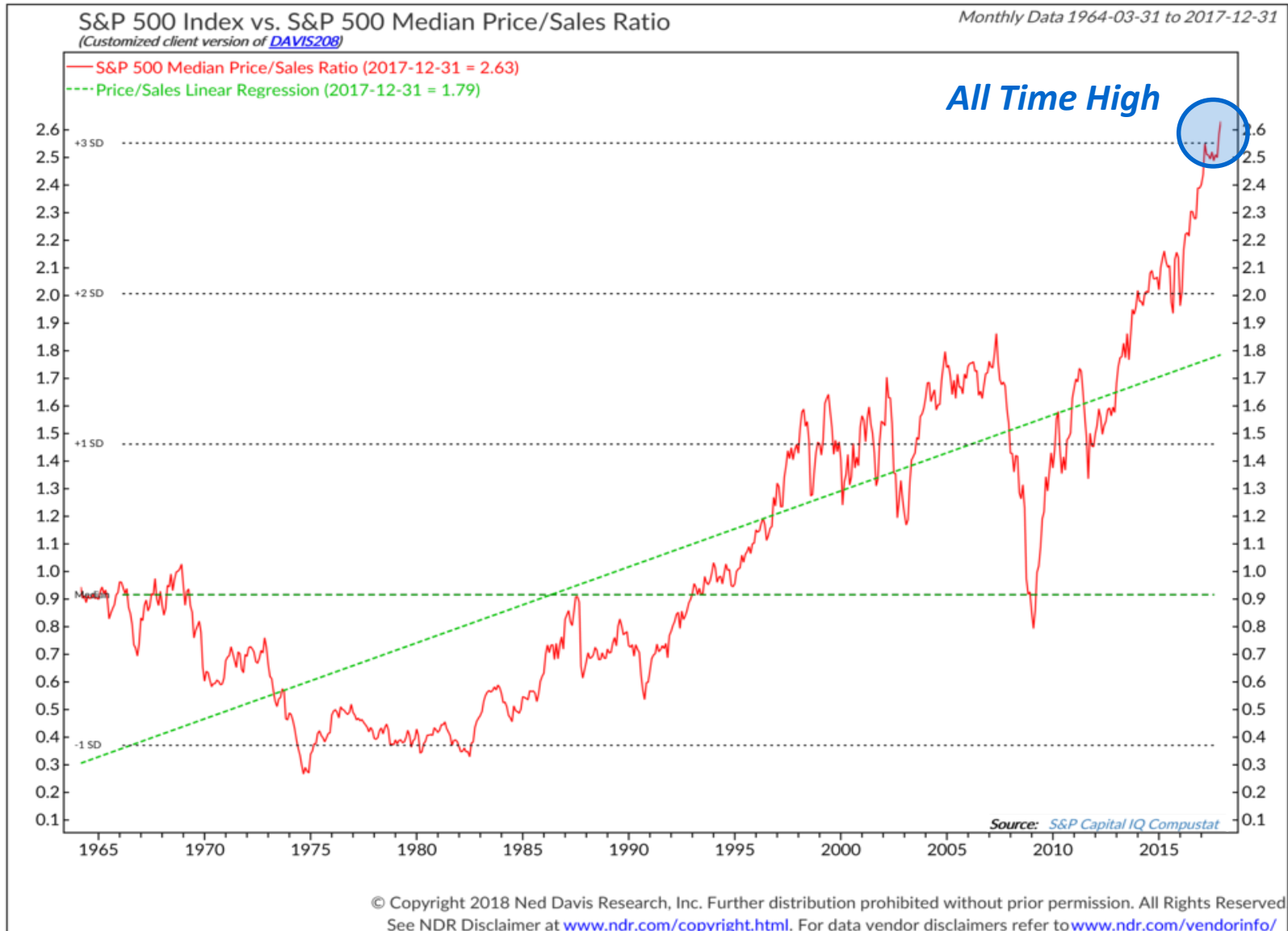


Source: Bloomberg

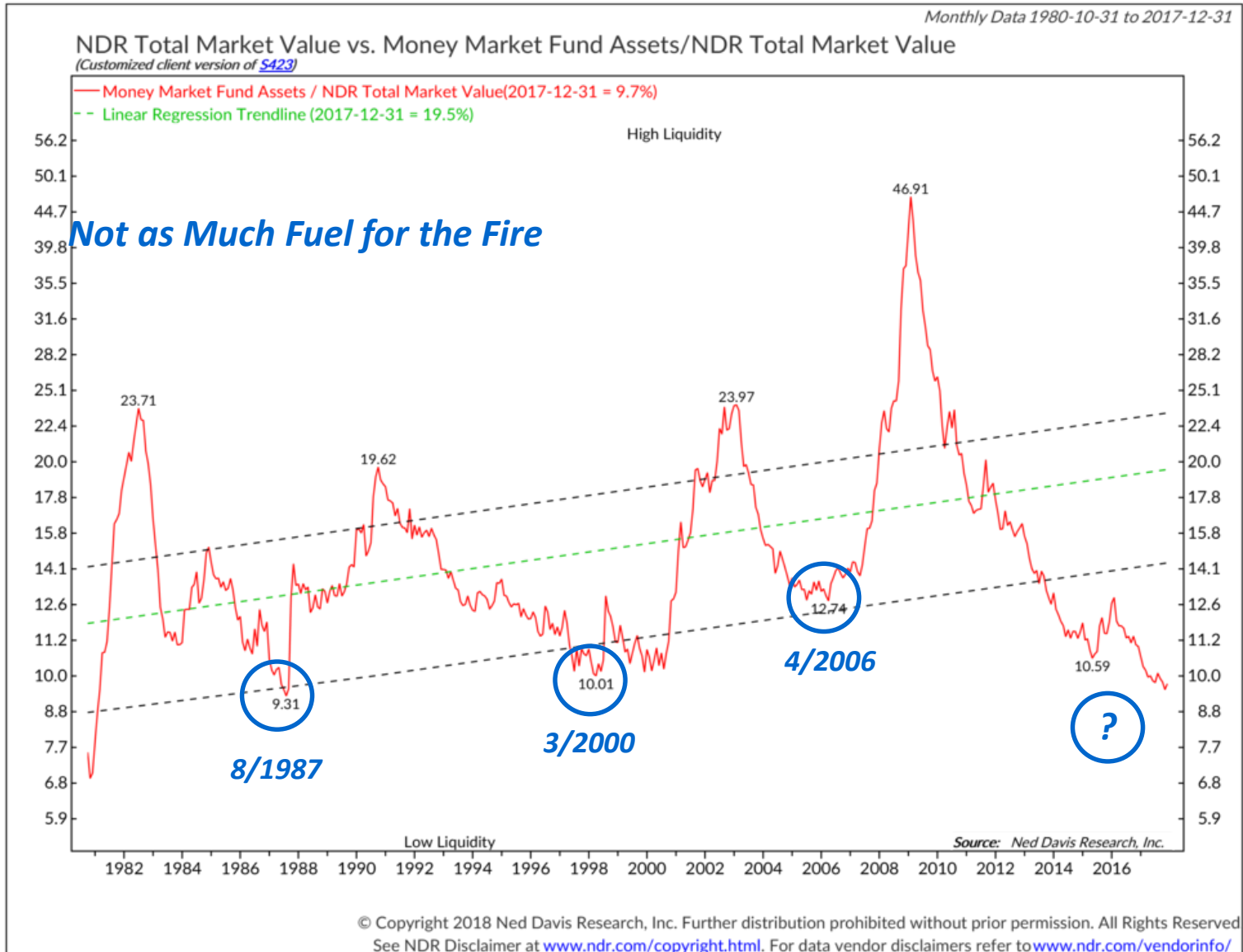
What is Missing in This Market? – A Normal Occurrence of Negative Periods



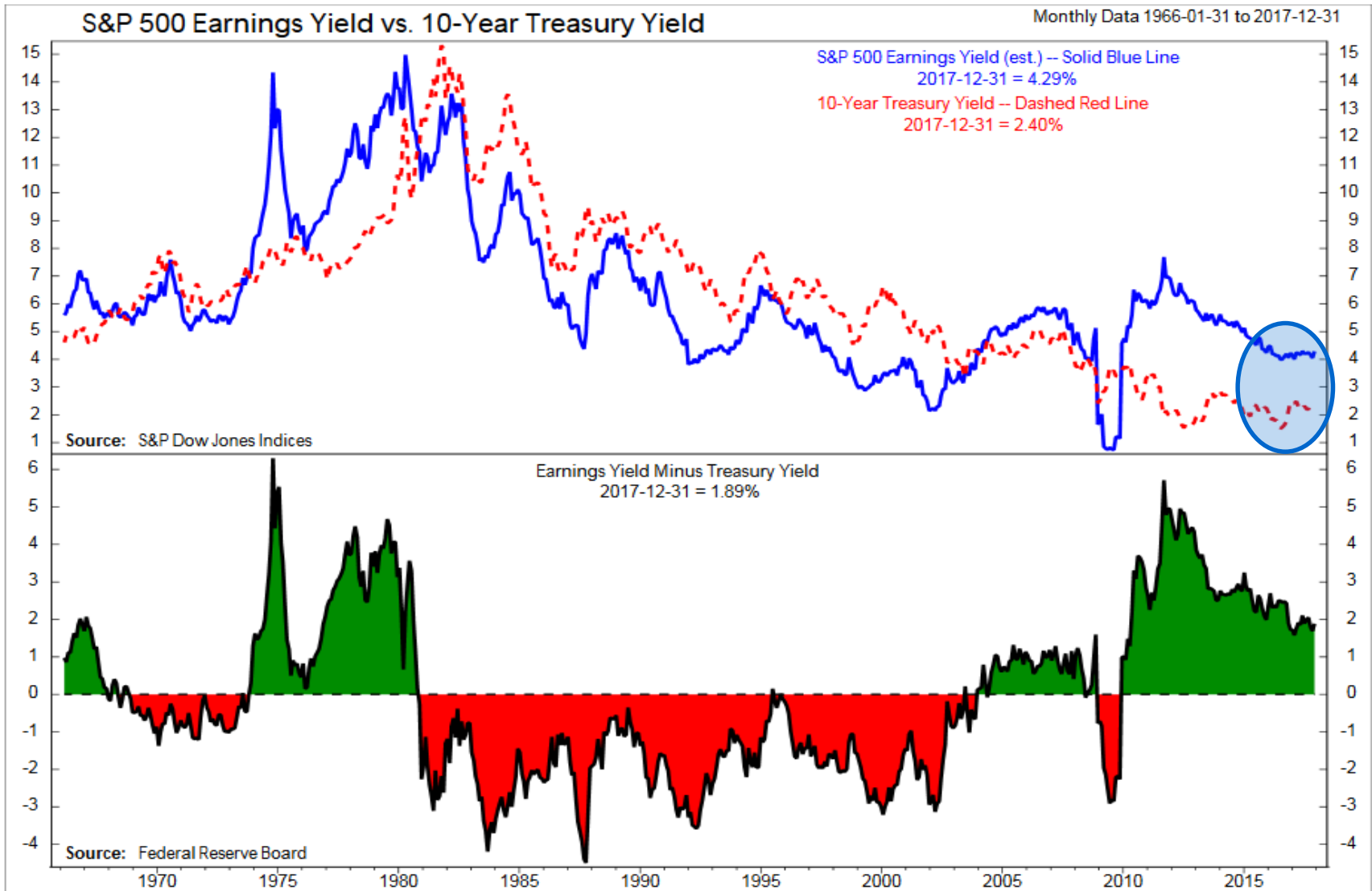
Hard to Make a Case for a “Cheap” Market



Cash Historically Low



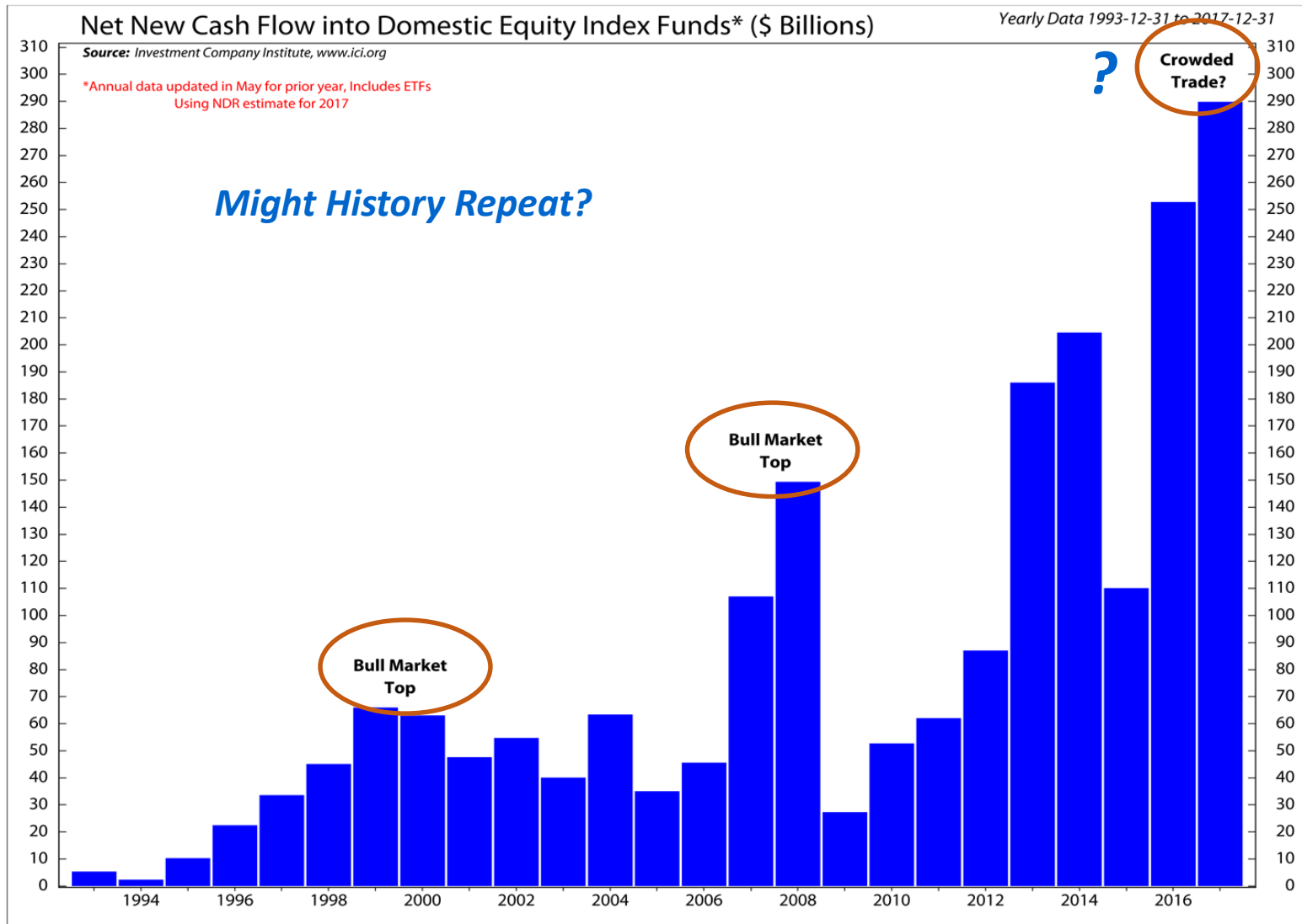
Low Rates Make Stocks Look Attractive



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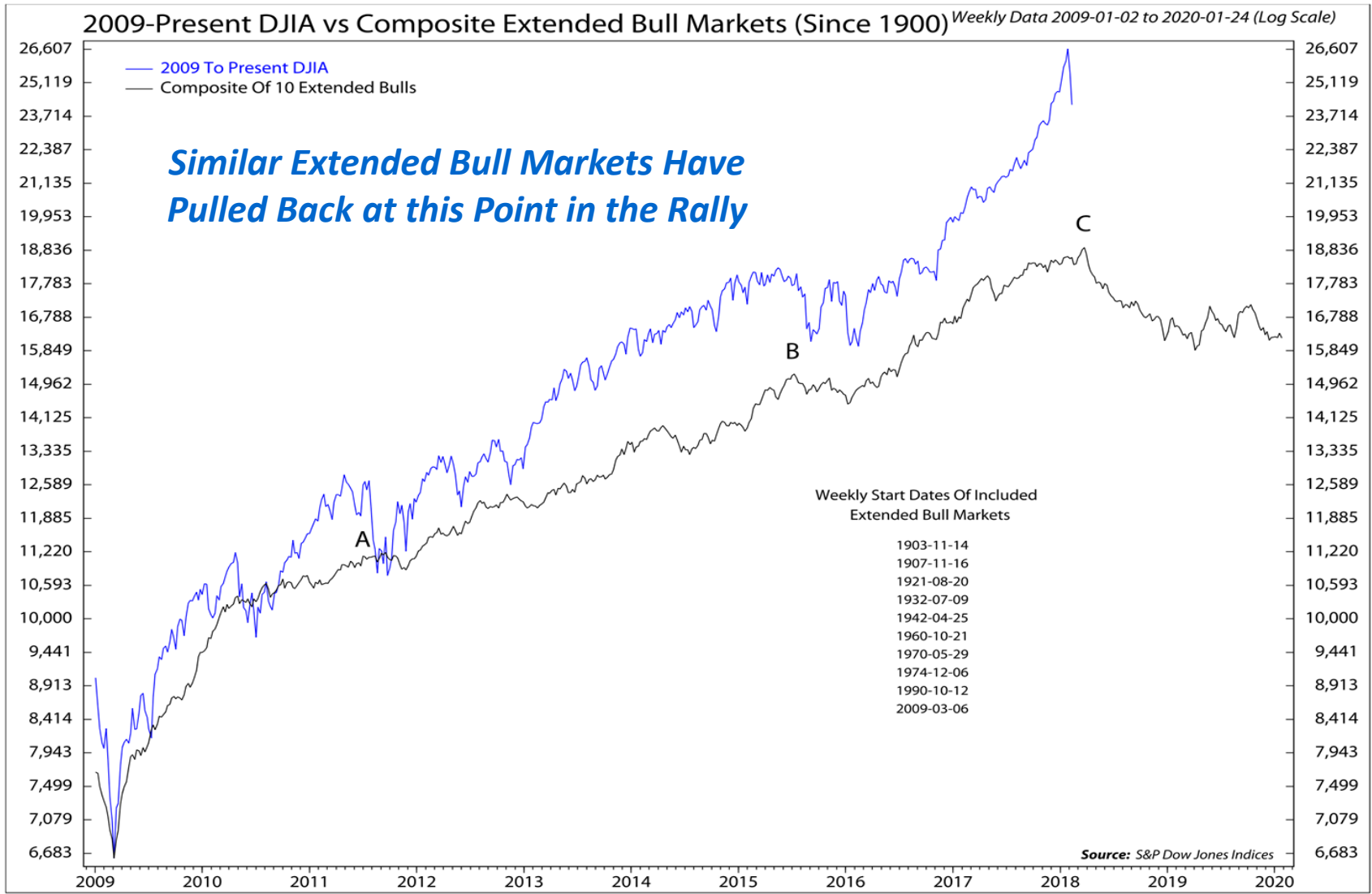
Follow the Money



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A View of Similar Bull Markets

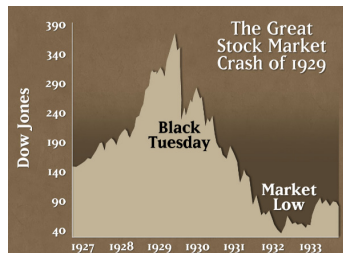


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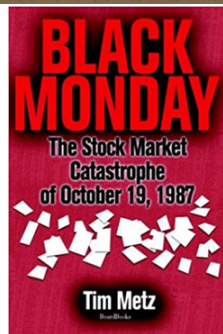
Similar Periods of Strong Returns Have Been Followed by Market Weakness

*Only Three Other Periods in the Last 100 Years
Have Been as Strong as This One:*



Prior Long-term
Annualized Return

1929 Black Tuesday March 1921 - March 1929 **25.8%** *(Dow Jones 8 Yr Return)*



1987 Black Monday August 1979 – August 1987 **15.0%** *(S&P 500 8 Yr Return)*



2000 Tech Bubble March 1992 – March 2000 **19.0%** *(Dow Jones 8 Yr Return)*
20.5% *(S&P 500 8 Yr Return)*

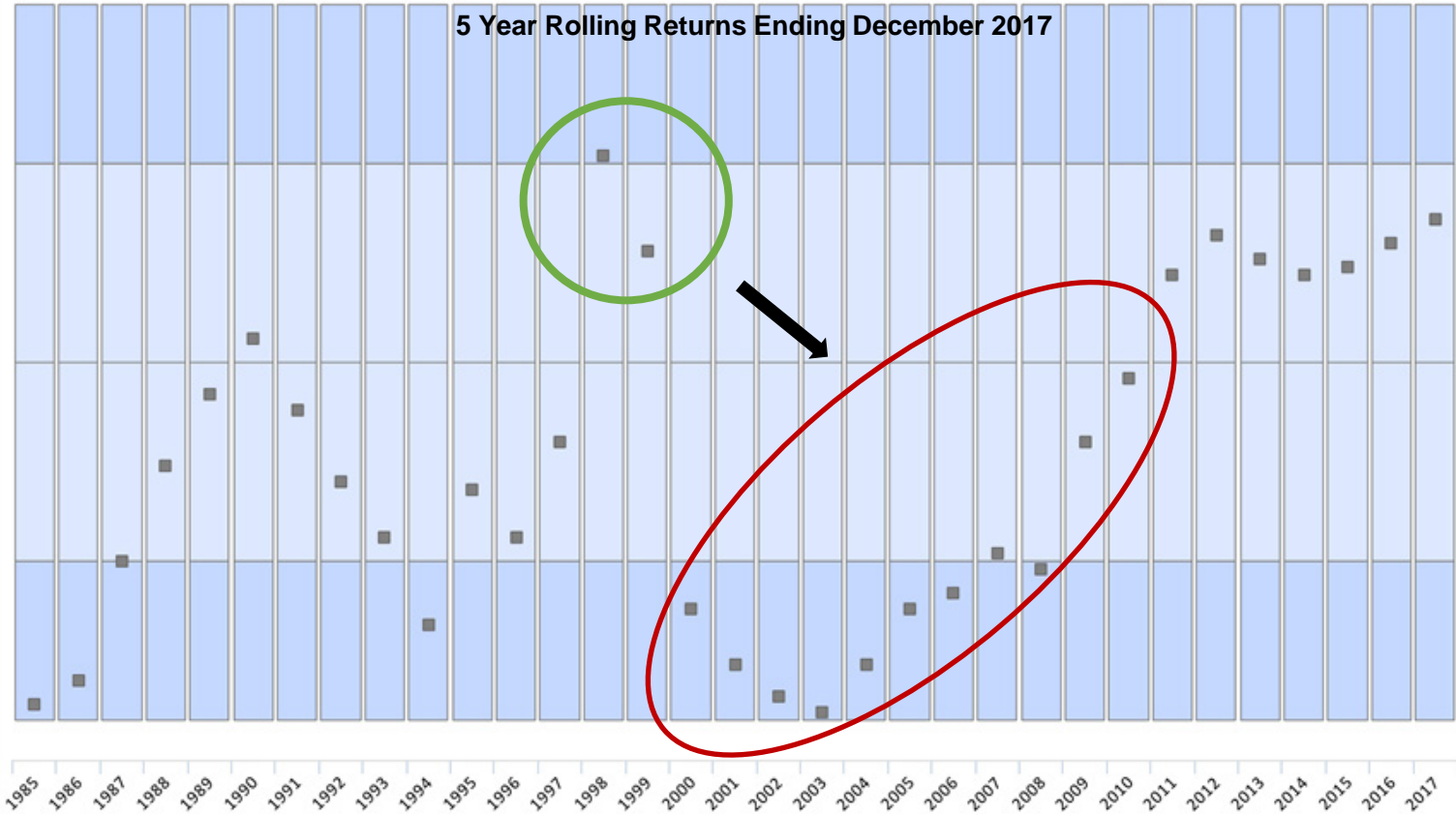


1Q2017 March 2009 – Dec 2017 **19.6%** *(S&P 500 8 Yr Return)*

Source: Bloomberg and S&P Dow Jones.

Large Cap Growth Index Performance Ranking Over Time –

Below Median Returns 70% of the Time!



■ RUSSELL 1000 GROWTH INDEX

The last time the index ranked this strongly, it was followed by 11 consecutive years of below median 5 year returns.

**Source: eVestment Alliance, Large Cap Growth Universe as of 12/31/17.*

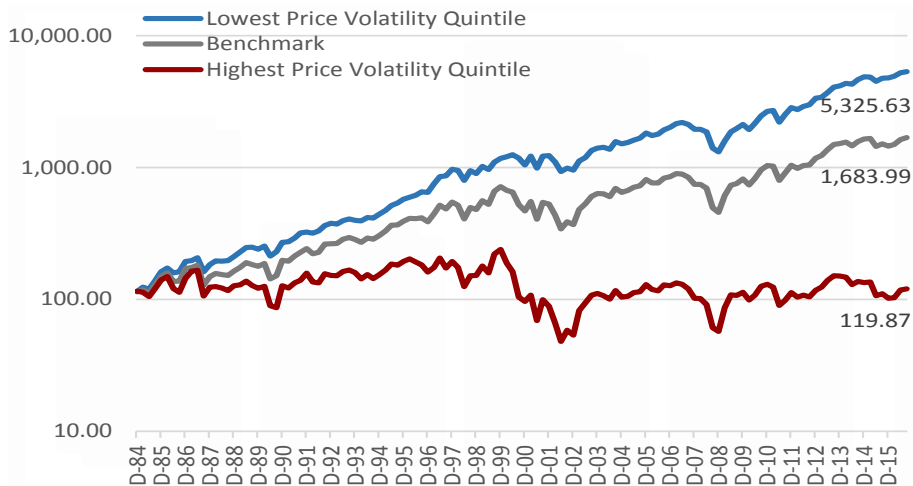
The Sawgrass Growth Equity Alpha Thesis

- Risk is Often **Mispriced**
- Consistent Growth is **Underappreciated**
- Lower Volatility **Rewarded** Over Time
- Valuation **Anomaly** Persists

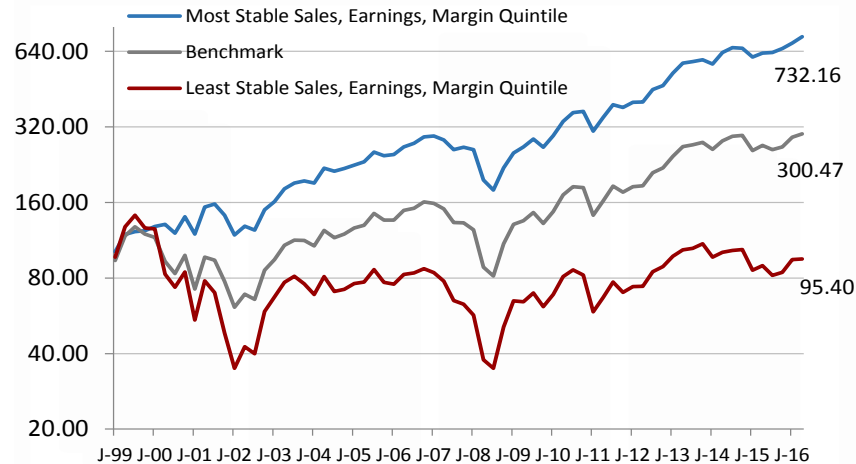
A Confirmation of Our Thesis

Cumulative Returns
12/31/84 → 12/31/16

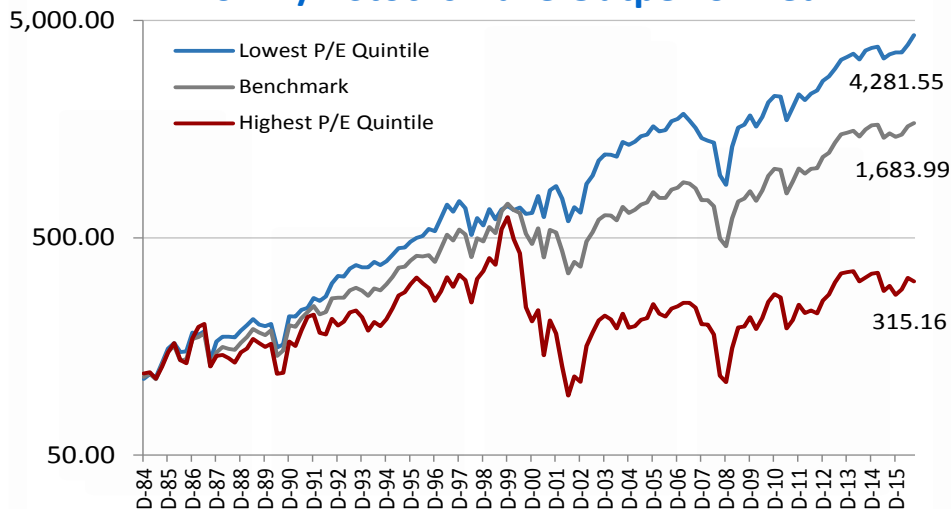
Low Volatility Attributes Have Outperformed Over Time



Stable Earnings Have Been Rewarded



Low P/E Stocks Have Outperformed



*Source: FactSet, Axioma, Russell.
Universe: Russell 3000 Growth, 3 Month
Rebalance, Linked Returns.

Diversified Large Growth Equity – 4Q17 Portfolio Review & Outlook

Market Review - No Downers

- The stock market finished the year as it began as the S&P 500 posted a strong quarterly gain of 6.6% and a very solid 21.8% for the year. 2017 was arguably unique in its persistency of strength. The S&P produced a positive gain in every month and has a streak of 14 straight positive months, neither of which has ever occurred. The S&P500 also has not had a 5% pullback in 18 months. This too is a new record.
- Growth stocks bettered Value stocks for the 4th consecutive quarter (R1G 7.9% vs. R1V 5.3%) and had a whopping advantage for the year of 16.5% (R1G 30.2% vs. R1V 13.7%), the best since 2009. Large stocks also had a solid advantage for the quarter and the year. Discretionary and Technology stocks continued their leadership which has persisted most of the year while Healthcare was the notably weak group.
- The market still had a risky tone as high beta continued to be strong. Profitability also was a strong factor for the quarter.
- 2017 was the 9th consecutive year of positive returns for the S&P 500, the only other such period in the last 90 years was the 9 years leading up to 2000 Tech Bubble. The bull market which began in 2009 rides on. Since this bull market began in March of 2009, *the 8+ year annualized return for the Russell 1000 Growth index is 19.4%. WOW.*

Portfolio Review

- The portfolio modestly lagged the very strong Russell 1000 Growth index return of 7.9%. Healthcare accounted for most of our underperformance as we were slightly overweight this weakest sector and had a poor performer in Celgene. Portfolio performance was generally solid otherwise, and our Technology stocks, led by Intel and VMware, were especially strong for the quarter.
- Our factor positioning had little impact for the quarter as stock specific returns were much more significant than factor returns. What little information there was indicated that our lower beta, lower momentum slightly hurt while lower P/E slightly helped.
- Overall 2017 was very difficult year for our relative returns. Returns were concentrated in fewer stocks which had a more risky profile. The market had very few down periods which would allow us to take advantage of our strong downside protection. Over the past 20 years the Russell 1000 Growth index has risen 270%+. On average each year experienced 38 days with -1% return or more. During 2017 there were 6 such days.

Diversified Large Growth Equity – 4Q17 Portfolio Review & Outlook (Cont.)

Outlook

- It is difficult to talk about the relentless strength of this market without sounding like Chicken Little. Despite all the indications that we are closer to the end of this bull market than the beginning, we strongly believe the stocks will be the superior asset class over the next seven years.
- We also believe that returns are likely to be much more modest and that the market will at some point return to its historical pattern of down periods within the context of a rising market.
- Given where we believe to be in this market cycle, we are loathe to abandon our risk conscious approach. Employing a differentiated approach is challenging in periods when it is not rewarded. Our twenty years of experience reminds us that it is just this difference which has been well rewarded in the long run by outperforming the Russell 1000 Growth Index over the long run albeit with less risk.