

**PALM TRAN, INC./ATU LOCAL 1577 PENSION FUND**

**INVESTMENT PERFORMANCE  
PERIOD ENDING  
MARCH 31, 2010**

NOTE: For a free copy of Part II (mailed w/ 5 bus. days from request receipt) of Burgess Chambers and Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact:  
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**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**BCA Market Perspective ©**  
**April, 2010**

**Where Do We Go From Here?**  
**Burgess B. Chambers and Larry M. Cole**

As of the date of this writing, several market factors are becoming clear. First, the Federal Reserve has chosen to continue a very accommodative monetary policy by keeping interest rates at historically low levels. While concerns over longer term inflation continue to be discussed, the Fed has recognized that the current (and maybe debatable) recovery is far too fragile to withstand any immediate rate hikes.

Another factor that has become evident is the investor's appetite for risk has returned. This is supported by the one-year bounce of equity markets since the market lows on March 9, 2009. Large cap stocks, as measured by the Russell 1000 Index, are up 72.9%, the Russell Midcap Index is up 94.2% and the Russell 2000 (Small Cap) Index is up 92.1%. In addition, we recently saw the Dow Jones Industrial Average hit the 11,000 level for the first time since September, 2008.

Another clear indicator of an improving appetite for risk has been the significant (and somewhat expected) decrease in the yield spreads for corporate bonds from their peak in early 2009. At their peak, 10 year "A" rated corporate bonds were trading near a 650 bps spread to the 10 year Treasury, almost 5% above the "normal" spread associated with "A" rated corporate bonds. In our April, 2009 Market Perspective, we suggested that the narrowing of these yield spreads would be a leading indicator of an improving stock market as investors once again were willing to assume risk. That narrowing did indeed lead to a substantial rise in both bond and stock prices over the past several quarters.

So, where do we go from here? While fragile, most economic indicators point to a broad based global recovery. This should be good news for corporate earnings as many companies have "trimmed the fat" and are positioned to see significant profits if and when they see top line revenue growth. The expectation is that this growth will lead to additional jobs as the unemployment rate continues to be a major concern to investors.

While most developed countries are experiencing slow growth and an alarming rise in their debt, many emerging markets are seeing just the opposite. As a result, approximately 50% of emerging market debt is now rated as investment grade. This is a significant shift from previous years and provides investors with additional opportunities.

Inflation and interest rates should remain relatively stable throughout the rest of 2010, suggesting an expected bond return similar to the coupons on the bonds. We believe the Fed will continue to keep rates low until they see clear evidence of job growth and an economy that can sustain higher rates – even at the risk of future inflation. Some inflation may actually be a relief to the Fed as it would most likely indicate a recovery is well underway and may be a catalyst to support higher real estate values.



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Investment Summary**  
**March 31, 2010**

- For the quarter, the Fund earned \$1.9 million (+4.4% net), bringing the 12-month return to \$11.1 million (+30.9% net). While the return for the quarter was in line with the benchmark, the one-year result trailed due to an under-weight among equities during 2Q09 and 3Q09; a period of great uncertainty. On June 30, 2009 equities were 21% below the target and by September 30, the difference had moved to 15% below. Relative performance improved during the past six months, as the gradual rebalancing to equities was completed.
- The top three performing categories for the 12-month period were: the REIT (+107.5%), Lotsoff mid-cap (+89.6%), and Fisher international (+62.3%).
- For the three-year period, the Fund experienced lower volatility than the benchmark and a higher return. This was accomplished by carefully blending a group of investment managers and products.

Compliance

- 1) C.S. Mckee: This large-cap value manager beat its benchmark by a large margin for the three-year period, but did not achieve the 40<sup>th</sup> percentile objective. BCA recommends no action.
- 2) i-Shares R1000G index product: Low tracking error and low cost.
- 3) Lotsoff: This mid-cap manager, after falling behind in 4Q08, has made a big come back over the past five quarters. The result is a three-year return ahead of the benchmark and a top 37<sup>th</sup> percentile ranking.
- 4) Fisher international: Three-year return has bettered its benchmark by +2.3% per year and ranked in the top 41st percentile.
- 5) RREEF REIT: This publicly traded real estate product has beaten its benchmark for the three-year period, but did not achieve the 40<sup>th</sup> percentile objective. BCA recommends no action.
- 6) Galliard fixed-income: Three-year return achieved its benchmark and ranked in the top 32<sup>nd</sup> percentile.



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Performance  
March 31, 2010**

**Dollars**

	<u>Quarter</u>	<u>One Year</u>
<b>Beginning Market Value</b>	<b>45,441,106</b>	<b>35,769,346</b>
<b>Ending Market Value</b>	<b>47,597,371</b>	<b>47,597,371</b>
<b>Net Contributions</b>	<b>+171,952</b>	<b>+683,916</b>
<b>Investment Gain/(Loss)</b>	<b>+1,984,313</b>	<b>+11,144,109</b>
<b>Investment Return, Net</b>	<b>+4.4%</b>	<b>+30.9%</b>
<b>Strategic Model</b>	<b>+4.3%</b>	<b>+43.7%</b>
<b><i>Value Added (pts.)</i></b>	<b><i>+0.1</i></b>	<b><i>-12.8</i></b>

Fiscal Year: January 1st – December 31st



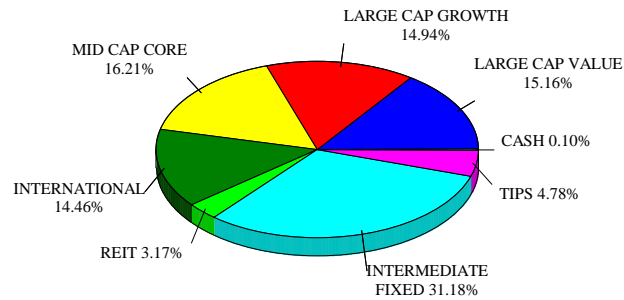
**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Compliance Checklist**  
**March 31, 2010**

	YES	NO
Total Fund performance achieved the Strategic Model over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Fund performance ranked in the top 40th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Fund performance achieved the Strategic Model over the five-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Fund performance ranked in the top 40th percentile over the five-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CS McKee large cap value performance achieved the Russell 1000 value over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CS McKee large cap value performance ranked in the top 40th percentile over the three-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Lotsoff mid-cap value performance achieved the MCSI Mid Cap 450 over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lotsoff mid-cap value performance ranked in the top 40th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international performance achieved the MCSI EAFE over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international performance ranked in the top 40th percentile over the three-year period. (Actual: 41st)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
RREEF REIT performance achieved the Wilshire REIT over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
RREEF REIT performance ranked in the top 40th percentile over the three-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Galliard fixed income performance achieved the Fixed Income Benchmark over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Galliard fixed income performance ranked in the top 40th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Galliard TIPS performance achieved the Barclays 1-10 TIPS over the three-year rolling period. (Actual: +6.11% vs. +6.15%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Domestic equity managers may only invest in ADR foreign securities not to exceed 3% of the manager's account based on market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Investments in equities, excluding the real estate allocation, shall not exceed 70% of the Fund's assets at market value.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Equities: Not more than 5% (at cost) of a manager' portfolio shall be invested in the securities of a single corporate issuer.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
All investments in securities issued by foreign governments or corporations domiciled outside the US shall not exceed 20% at cost.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Non-government bonds: Investments in any one issuing corporation shall be limited to 2.0% of the total bond portfolio.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fixed income securities shall be limited to those securities rate "Baa2" (Moody) or "BBB" (S&P).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Treasury Inflation Indexed Securities (TIPS) are limited to 1 to 10 year maturities.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

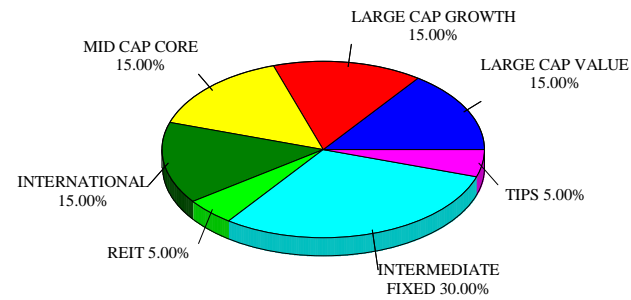


**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Actual vs. Target Asset Allocation**  
**March 31, 2010**

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**

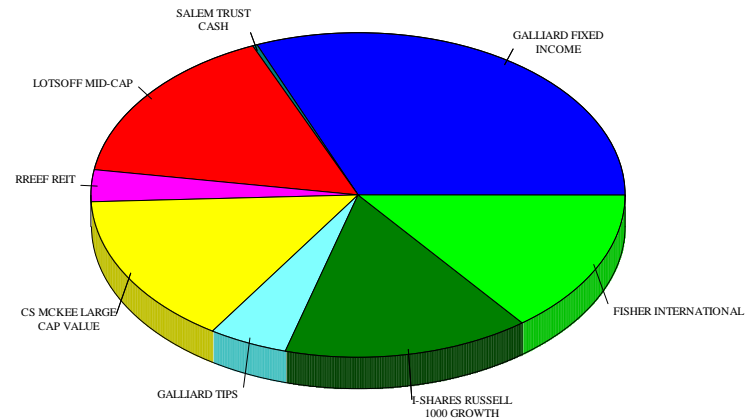


	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
LARGE CAP VALUE	7,214,959.1	15.2%	7,139,605.7	15.0%	75,353.4	0.2%
LARGE CAP GROWTH	7,111,903.1	14.9%	7,139,605.7	15.0%	(27,702.6)	(0.1%)
MID CAP CORE	7,714,688.1	16.2%	7,139,605.7	15.0%	575,082.4	1.2%
INTERNATIONAL	6,880,646.0	14.5%	7,139,605.7	15.0%	(258,959.7)	(0.5%)
REIT	1,509,929.3	3.2%	2,379,868.6	5.0%	(869,939.3)	(1.8%)
INTERMEDIATE FIXED	14,842,049.4	31.2%	14,279,211.3	30.0%	562,838.1	1.2%
TIPS	2,274,395.4	4.8%	2,379,868.6	5.0%	(105,473.2)	(0.2%)
CASH	48,800.9	0.1%	0.0	0.0%	48,800.9	0.1%
<b>TOTAL FUND</b>	<b>\$47,597,371.1</b>	<b>100.0%</b>	<b>\$47,597,371.1</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>



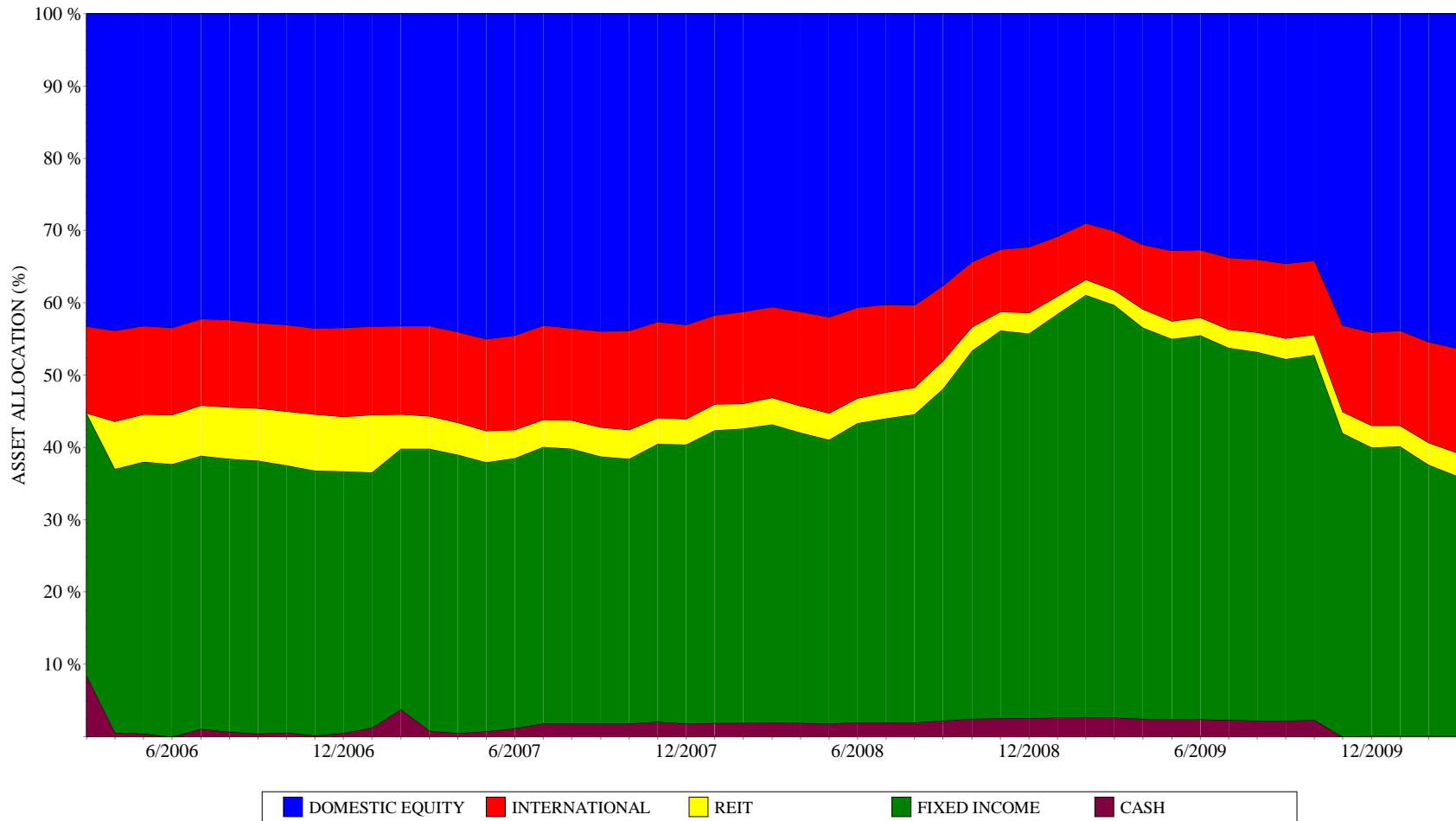
**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Asset Allocation**

TOTAL MARKET VALUE  
AS OF MARCH 31, 2010  
\$ 47,597,371



	VALUE	PERCENT
GALLIARD FIXED INCOME	14,842,049	31.18
LOTSOFF MID-CAP	7,714,688	16.21
CS MCKEE LARGE CAP VALUE	7,214,959	15.16
I-SHARES RUSSELL 1000 GROWTH	7,111,903	14.94
FISHER INTERNATIONAL	6,880,646	14.46
GALLIARD TIPS	2,274,395	4.78
RREEF REIT	1,509,929	3.17
SALEM TRUST CASH	48,801	0.10

**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**ALLOCATION OF ASSETS**  
**March 31, 2006 THROUGH March 31, 2010**





**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**March 31, 2010**  
**Gross of Fees**

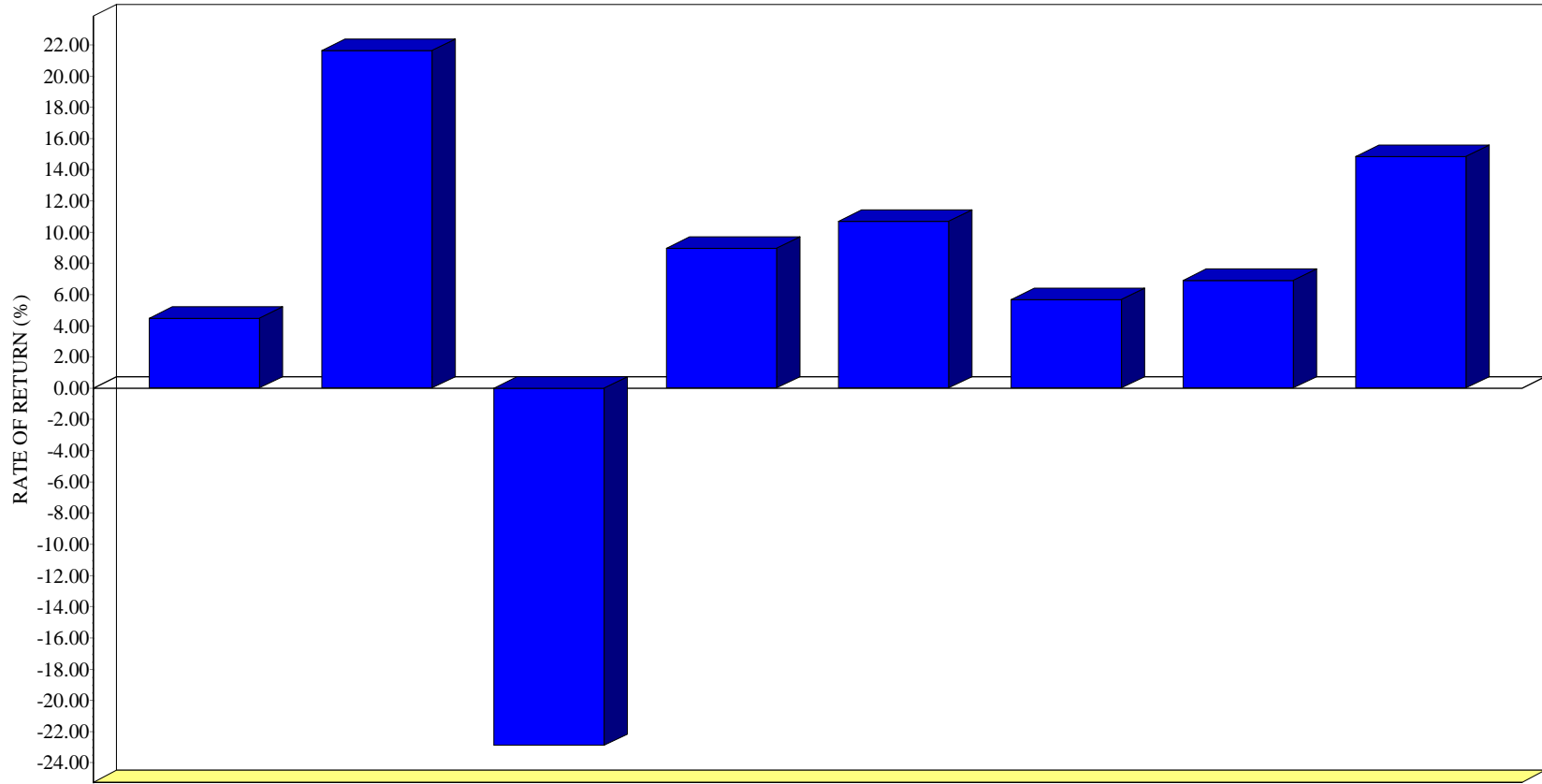
Name	Market Values	QTR ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
CS McKee Large Cap Value	7,214,959	6.0%	49.9%	-4.6%	-3.8%	N/A
i-Shares Russell 1000 Growth	7,111,903	4.6%	50.8%	-0.6%	-0.9%	N/A
Lotsoff Mid-Cap	7,714,688	10.2%	89.6%	0.9%	-1.2%	N/A
<b>Total Domestic Equity</b>	<b>22,041,550</b>	<b>7.0%</b>	<b>62.9%</b>	<b>-1.3%</b>	<b>-1.9%</b>	<b>N/A</b>
<u>International</u>						
Fisher International	6,880,646	2.0%	62.3%	-7.3%	-4.3%	N/A
<b>Total Equity</b>	<b>28,922,196</b>	<b>5.8%</b>	<b>62.7%</b>	<b>-2.7%</b>	<b>-2.5%</b>	<b>N/A</b>
<u>Real Estate</u>						
RREEF REIT	1,509,929	9.3%	107.5%	-7.8%	-11.0%	N/A
<u>Fixed Income</u>						
Galliard Fixed Income	14,842,049	1.8%	7.4%	6.2%	6.8%	N/A
Galliard TIPS	2,274,395	0.8%	6.6%	1.9%	6.1%	N/A
<b>Total Fixed Income</b>	<b>17,116,445</b>	<b>1.7%</b>	<b>7.3%</b>	<b>5.6%</b>	<b>6.7%</b>	<b>N/A</b>
<u>Cash</u>						
Salem Trust Cash	48,801	0.0%	0.1%	0.5%	N/A	N/A
<b>TOTAL: (1, 2)</b>	<b>47,597,371</b>	<b>4.5%</b>	<b>31.5%</b>	<b>1.1%</b>	<b>1.4%</b>	<b>4.6%</b>
Strategic Model		4.3%	43.7%	0.3%	-0.6%	4.1%
Russell 1000 Value		6.8%	53.6%	-6.0%	-7.3%	1.0%
Russell 1000 Growth		4.6%	49.8%	-0.8%	-0.8%	3.4%
MSCI Mid Cap 450		8.7%	66.7%	-0.4%	-3.4%	4.2%
MSCI Gross EAFE		0.9%	55.2%	-8.6%	-6.6%	4.2%
Wilshire REIT		9.8%	113.8%	-8.3%	-12.0%	3.4%
Fixed Income Bnch		1.8%	11.8%	6.9%	6.8%	6.0%
BC 1-10 Yr TIPS		0.8%	6.7%	2.1%	6.1%	5.1%
ML 3M TBill		0.0%	0.2%	0.7%	2.0%	2.9%

1 Strategic Model (IPS hybrid benchmark objective): from Jan'10 is 30% Russell 100 + 15% MSCI Mid-Cap + 15% MSCI EAFE + 5% Wilshire REIT + 30% Barclay's Aggregate + 5% Barclays 1 - 10yrs TIPS; prior from Sept'07 was 28% Russell 1000 + 15% MSCI Mid Cap + 12% MSCI Gross EAFE + 10% Wilshire REIT + 5% Lehman Intermediate TIPS + 30% BCA Custom Bond Benchmark; prior from Jun'02 was 25% S&P 500 + 15% Russell 2000 + 20% MSCI World + 40% Merrill Lynch Domestic Bond Master.

2 Fixed Income Bnch: from Jan'10 is 100% Barclays; prior from Jan'05 was 100% BCA Custom Bond Benchmark (49% Lehman Mortgage + 40% Lehman Intermediate Credit + 11% Citi ABS); prior from May'02 was 100% Merrill Lynch Domestic Bond Master.

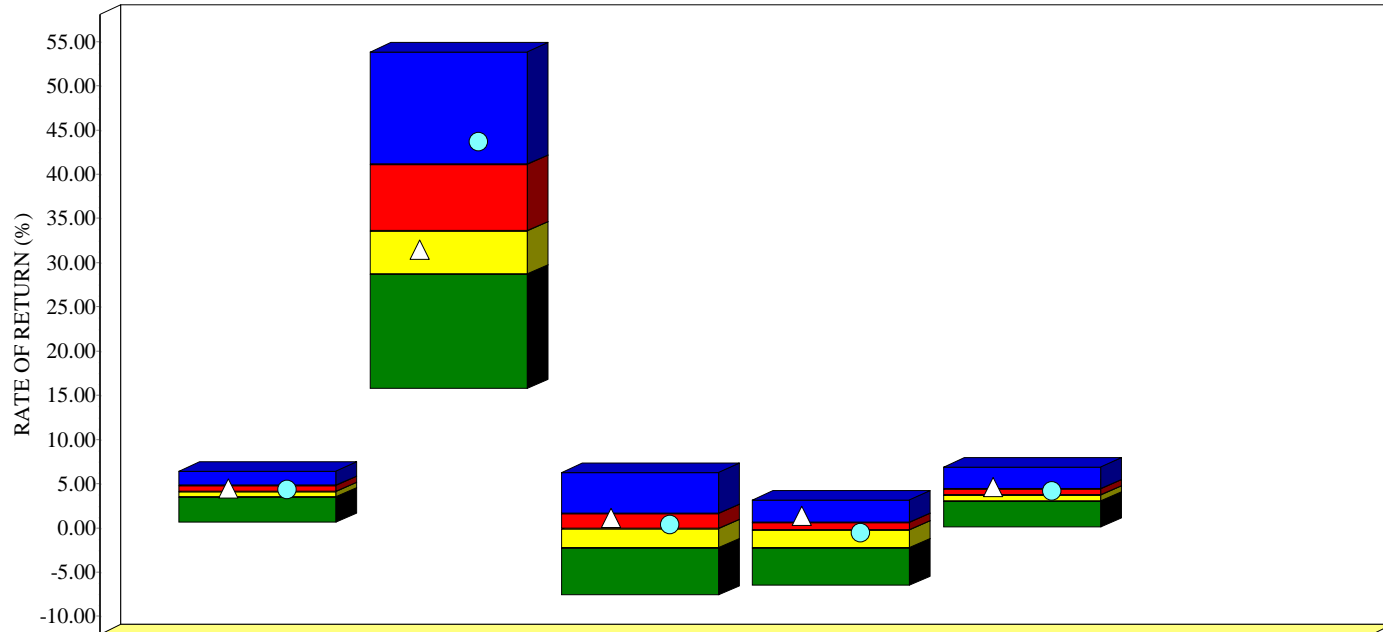


**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Fiscal Year Rates of Return**  
**December 31, 2002 Through March 31, 2010**



	FYTD - 3/2010	2009	2008	2007	2006	2005	2004	2003
TF	4.47	21.62	-22.92	8.95	10.68	5.68	6.89	14.83

**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Quartile Ranking**  
**ATU 1577 Versus Balanced Aggressive**  
**March 31, 2005 Through March 31, 2010**

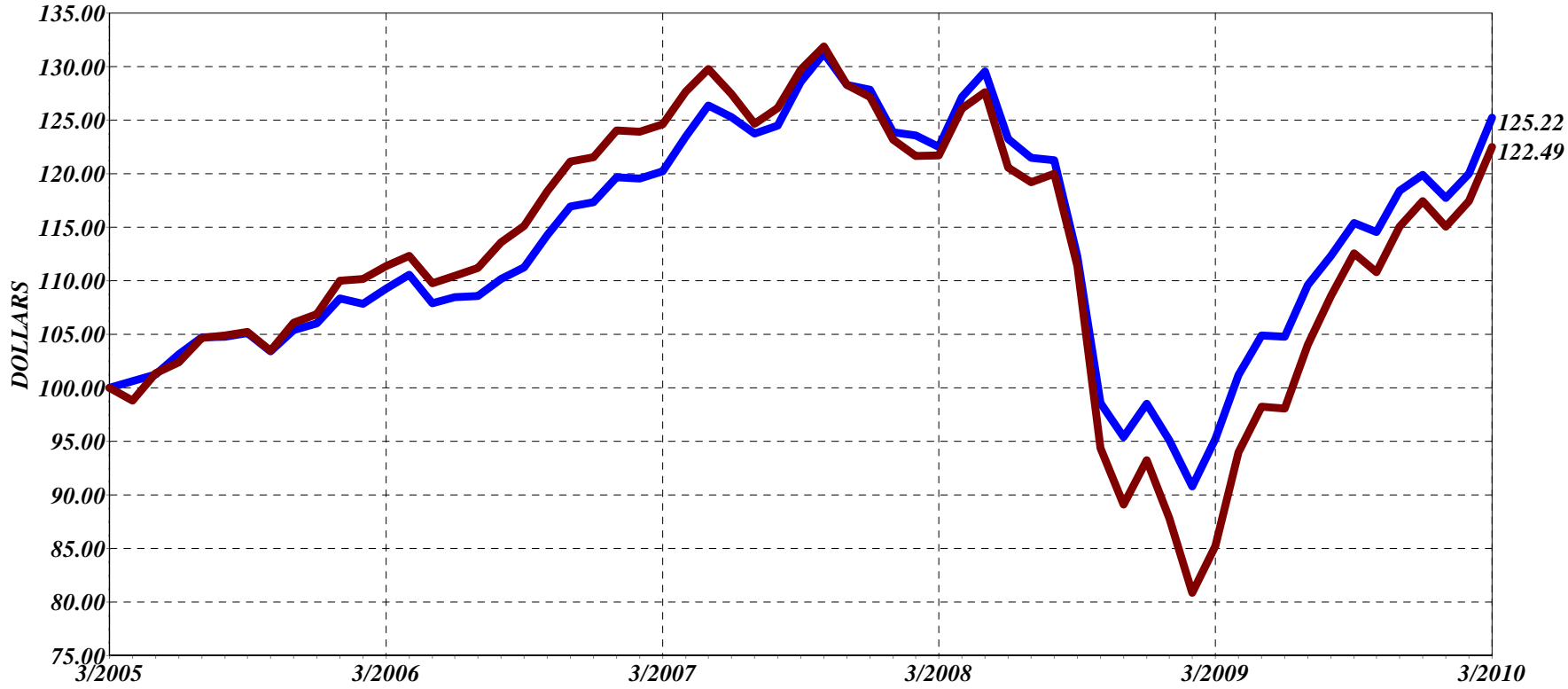


	LATEST QUARTER		ONE YEAR		TWO YEARS		THREE YEARS		FIVE YEARS	
HIGHEST VALUE	6.40		53.84		6.25		3.13		6.84	
FIRST QUARTILE	4.79		41.07		1.58		0.59		4.42	
MEDIAN VALUE	4.11		33.55		-0.15		-0.28		3.66	
THIRD QUARTILE	3.48		28.64		-2.25		-2.26		2.97	
LOWEST VALUE	0.60		15.70		-7.67		-6.54		0.06	
MEAN	4.08		34.50		-0.61		-0.92		3.57	
MEMBERS	28		28		28		27		24	

	LATEST QUARTER		ONE YEAR		TWO YEARS		THREE YEARS		FIVE YEARS	
	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
△ TF	4.47	35	31.46	64	1.10	28	1.36	11	4.60	20
● STRATEGIC MODEL	4.29	39	43.68	17	0.33	42	-0.57	59	4.14	37

**Palm Tran, Inc./Atu Local 1577 Pension Fund  
 Atu 1577  
 Growth Of A Dollar Analysis  
 March 31, 2005 Through March 31, 2010**



	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
TF	4.47	31.46	1.36	4.60
STRATEGIC MODEL	4.29	43.68	-0.57	4.14



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
CS McKee Large Cap Value  
Performance Profile  
Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	16.31
WORST QUARTER	12/2008	-21.27
BEST 4 QUARTERS	3/2010	49.88
WORST 4 QUARTERS	3/2009	-39.22

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 19  
# OF NEGATIVE PERIODS: 17

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	6.05	49.88	-4.55	-3.78
RUSSELL 1000 VALUE	6.78	53.56	-5.97	-7.33
EXCESS	-0.73	-3.67	1.41	3.55
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	5.33	46.68	-5.35	-5.55

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	49.88	57	12.37	4.02	3.64	0.86	96.58	-0.90
TWO YEARS	-4.55	99	24.04	-0.22	0.97	0.94	97.34	0.26
THREE YEARS	-3.78	71	20.48	-0.28	3.04	0.93	96.96	0.90

*The risk benchmark for this analysis is the Russell 1000 Value.  
The universe used was the 50/50 Large Cap Core Value*



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
i-Shares Russell 1000 Growth  
Performance Profile  
Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	17.02
WORST QUARTER	12/2008	-23.29
BEST 4 QUARTERS	3/2010	50.85
WORST 4 QUARTERS	3/2009	-34.48

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 20  
# OF NEGATIVE PERIODS: 16

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	4.59	50.85	-0.58	-0.89
RUSSELL 1000 GROWTH	4.65	49.75	-0.80	-0.78
EXCESS	-0.05	1.10	0.22	-0.11
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	3.87	47.62	-1.34	-2.68

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	50.85	26	13.07	3.88	-0.75	1.04	99.81	1.11
TWO YEARS	-0.58	34	23.20	-0.05	0.23	1.00	99.81	0.22
THREE YEARS	-0.89	52	20.19	-0.14	-0.11	1.00	99.74	-0.11

*The risk benchmark for this analysis is the Russell 1000 Growth.  
The universe used was the Large Cap Growth*



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
 Lotsoff Mid-Cap  
 Performance Profile  
 Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	30.08
WORST QUARTER	12/2008	-28.05
BEST 4 QUARTERS	3/2010	89.64
WORST 4 QUARTERS	3/2009	-46.28

TOTAL # OF PERIODS: 36  
 # OF POSITIVE PERIODS: 19  
 # OF NEGATIVE PERIODS: 17

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	10.18	89.64	0.93	-1.25
MSCI MID CAP 450	8.66	66.68	-0.36	-3.38
EXCESS	1.52	22.96	1.30	2.13
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	9.43	85.62	0.23	-3.00

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	89.64	1	21.22	4.22	4.05	1.19	92.53	2.24
TWO YEARS	0.93	50	34.36	0.01	2.54	1.18	97.30	0.37
THREE YEARS	-1.25	37	29.44	-0.11	3.99	1.18	96.92	0.49

*The risk benchmark for this analysis is the MSCI Mid Cap 450.  
 The universe used was the Mid Cap Core*



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Fisher International  
Performance Profile  
Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	6/2009	26.57
WORST QUARTER	9/2008	-23.72
BEST 4 QUARTERS	3/2010	62.29
WORST 4 QUARTERS	3/2009	-47.10

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 19  
# OF NEGATIVE PERIODS: 17

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	2.05	62.29	-7.34	-4.26
MSCI GROSS EAFE	0.94	55.20	-8.62	-6.55
EXCESS	1.10	7.08	1.28	2.29
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	1.34	58.81	-8.07	-6.00

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	62.29	19	21.50	2.89	-2.42	1.17	96.82	1.08
TWO YEARS	-7.34	53	33.33	-0.24	4.15	1.18	97.60	0.40
THREE YEARS	-4.26	41	28.62	-0.22	4.66	1.17	97.01	0.54

*The risk benchmark for this analysis is the MSCI Gross EAFE.  
The universe used was the EAFE*





**Palm Tran, Inc./ATU Local 1577 Pension Fund  
RREEF REIT  
Performance Profile  
Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	9/2009	32.51
WORST QUARTER	12/2008	-39.85
BEST 4 QUARTERS	3/2010	107.49
WORST 4 QUARTERS	3/2009	-59.03

TOTAL # OF PERIODS: 36  
 # OF POSITIVE PERIODS: 20  
 # OF NEGATIVE PERIODS: 16

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	9.28	107.49	-7.80	-11.00
WILSHIRE REIT	9.82	113.78	-8.30	-11.95
EXCESS	-0.55	-6.28	0.50	0.96
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	8.53	103.05	-8.36	-12.52

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	107.49	36	33.45	3.21	-1.48	0.98	99.67	-1.63
TWO YEARS	-7.80	78	46.51	-0.18	-0.37	0.96	99.62	-0.16
THREE YEARS	-11.00	78	39.64	-0.33	0.17	0.96	99.55	0.11

*The risk benchmark for this analysis is the Wilshire REIT.  
 The universe used was the REIT/Real Estate*



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Galliard Fixed Income  
Performance Profile  
Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	9/2009	3.21
WORST QUARTER	6/2008	-0.74
BEST 4 QUARTERS	3/2008	7.98
WORST 4 QUARTERS	3/2009	4.99

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 26  
# OF NEGATIVE PERIODS: 10

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	1.82	7.37	6.17	6.77
FIXED INCOME BNCH	1.78	11.83	6.89	6.79
EXCESS	0.03	-4.46	-0.72	-0.02
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	1.11	5.04	5.16	4.72

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	7.37	62	2.51	2.87	-1.49	0.76	77.88	-2.97
TWO YEARS	6.17	42	3.35	1.63	1.65	0.61	81.24	-0.31
THREE YEARS	6.77	32	3.12	1.53	1.65	0.64	78.01	-0.04

*The risk benchmark for this analysis is the Fixed Income Bnch.  
The universe used was the Fixed Income*



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Galliard TIPS**  
**Performance Profile**  
**Through March 31, 2010**

	ENDED	RETURN
BEST QUARTER	3/2008	5.91
WORST QUARTER	12/2008	-5.04
BEST 4 QUARTERS	3/2008	15.00
WORST 4 QUARTERS	3/2009	-2.56

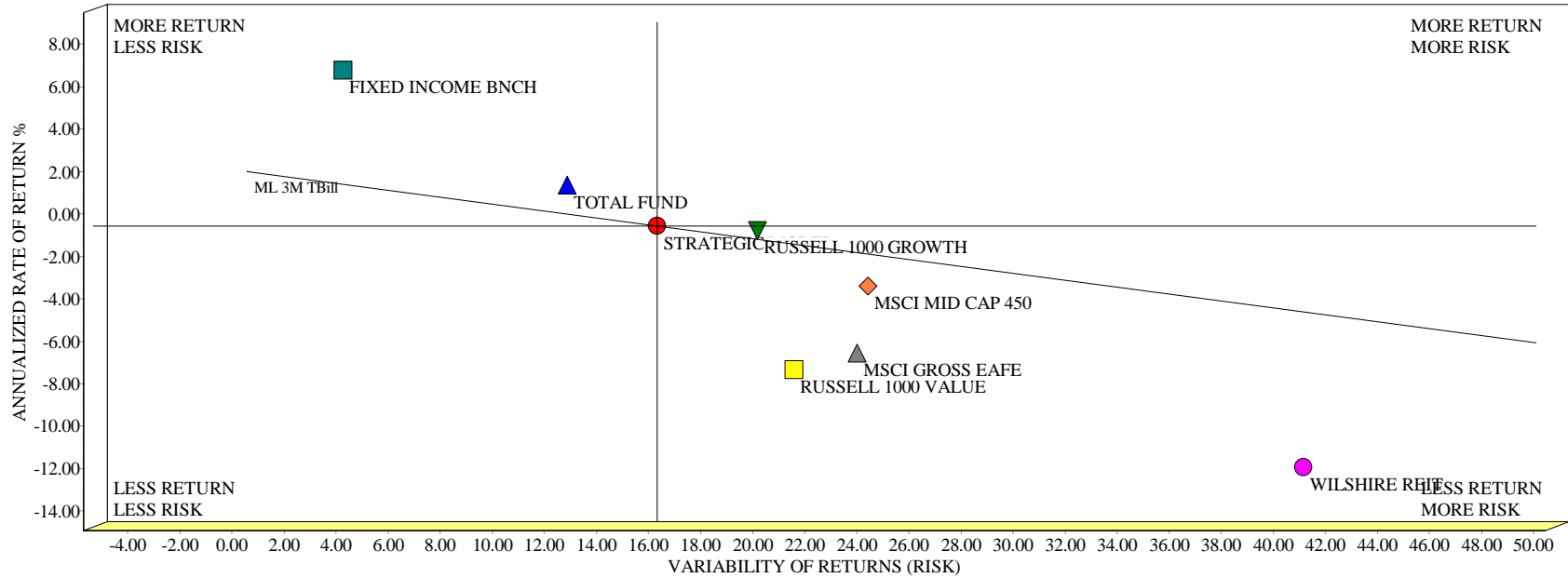
TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 24  
# OF NEGATIVE PERIODS: 12

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
GALLIARD TIPS	0.84	6.61	1.92	6.11
BC 1-10 YR TIPS	0.84	6.70	2.12	6.15
EXCESS	0.00	-0.09	-0.19	-0.04
RISKLESS INDEX	0.01	0.17	0.69	1.99
REAL ROR	0.14	4.30	1.01	4.12

PERIOD	RETURN	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	6.61	3.43	1.88	0.36	0.93	99.23	-0.23
TWO YEARS	1.92	8.23	0.15	-0.17	0.98	99.46	-0.32
THREE YEARS	6.11	7.54	0.55	0.00	0.99	96.91	-0.03

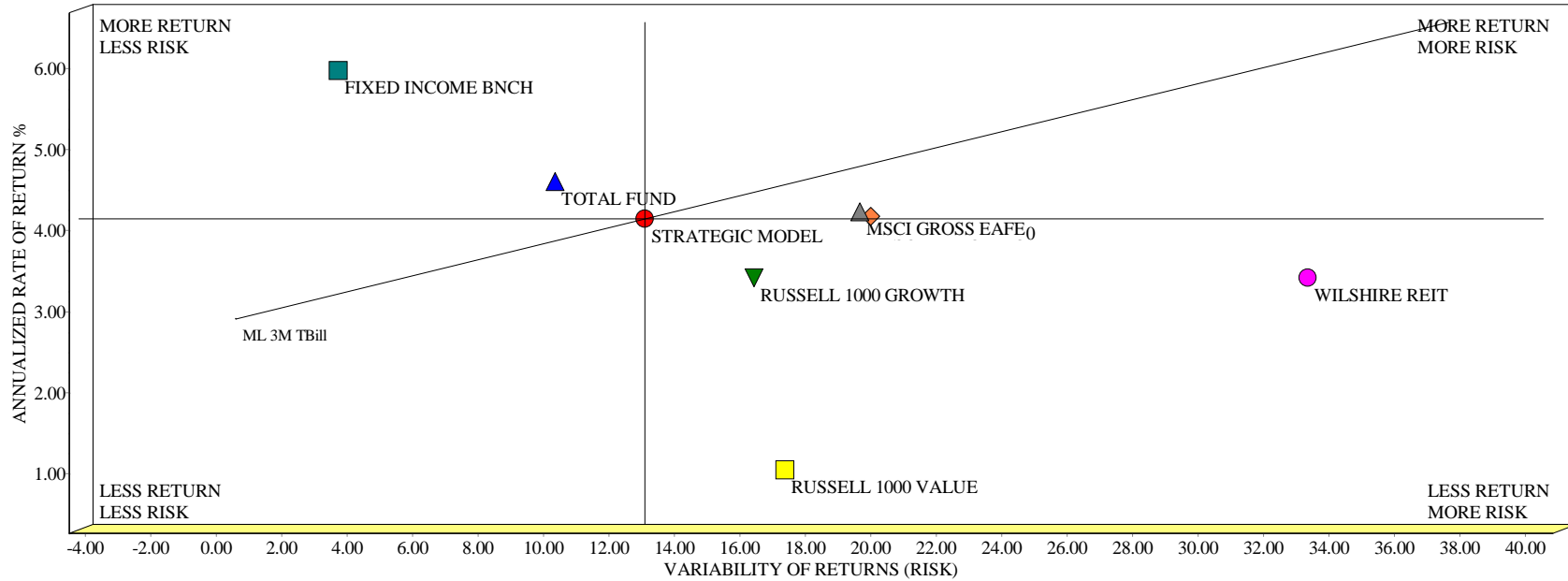
*The risk benchmark for this analysis is the BC 1-10 Yr TIPS.*

**PALM TRAN, INC./ATU LOCAL 1577 PENSION FUND**  
**ATU 1577**  
**CAPITAL MARKET LINE**  
**MARCH 31, 2007 THROUGH MARCH 31, 2010**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	1.36	12.87	0.77	1.14	95.51
● STRATEGIC MODEL	-0.57	16.34	1.00	0.00	100.00
■ RUSSELL 1000 VALUE	-7.33	21.57	1.00	0.00	100.00
▼ RUSSELL 1000 GROWTH	-0.78	20.18	1.00	0.00	100.00
◆ MSCI MID CAP 450	-3.38	24.44	1.00	0.00	100.00
▲ MSCI GROSS EAFE	-6.55	24.00	1.00	0.00	100.00
● WILSHIRE REIT	-11.95	41.16	1.00	0.00	100.00
■ FIXED INCOME BNCH	6.79	4.27	1.00	0.00	100.00

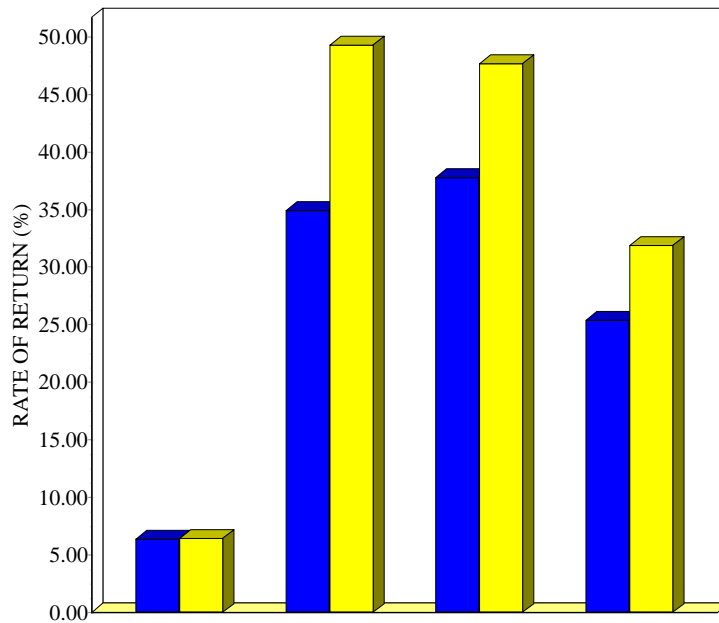
**PALM TRAN, INC./ATU LOCAL 1577 PENSION FUND**  
**ATU 1577**  
**CAPITAL MARKET LINE**  
**MARCH 31, 2005 THROUGH MARCH 31, 2010**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	4.60	10.35	0.77	0.59	94.36
● STRATEGIC MODEL	4.14	13.09	1.00	0.00	100.00
■ RUSSELL 1000 VALUE	1.05	17.37	1.00	0.00	100.00
▼ RUSSELL 1000 GROWTH	3.42	16.43	1.00	0.00	100.00
◆ MSCI MID CAP 450	4.18	20.00	1.00	0.00	100.00
▲ MSCI GROSS EAFE	4.24	19.66	1.00	0.00	100.00
● WILSHIRE REIT	3.42	33.34	1.00	0.00	100.00
■ FIXED INCOME BNCH	5.97	3.72	1.00	0.00	100.00

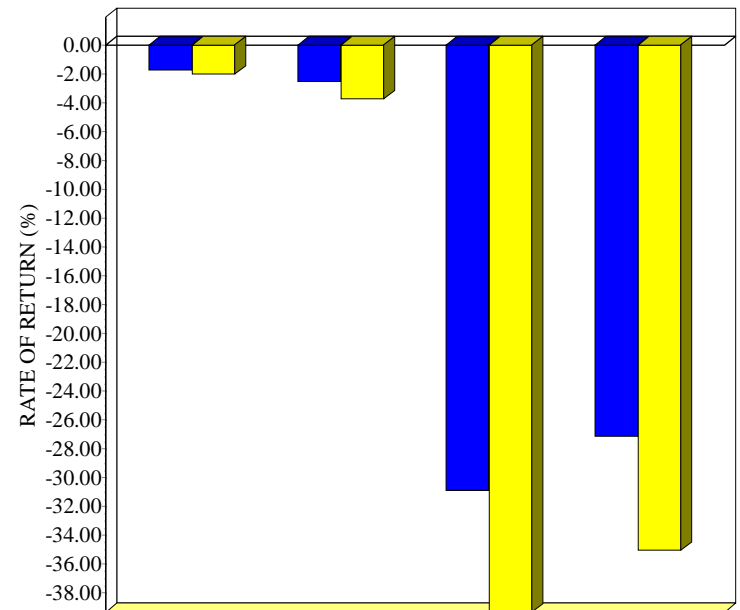
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Performance in Rising and Declining Markets  
As Compared to the Benchmark  
March 31, 2005 Through March 31, 2010**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TF TOTAL FUND	6.35	34.93	37.78	25.37
STRATEGIC MODEL	6.44	49.25	47.66	31.89
DIFFERENCE	-0.09	-14.32	-9.88	-6.52
RATIO	0.99	0.71	0.79	0.80
UP PERIODS	2	9	20	40

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TF TOTAL FUND	-1.77	-2.57	-30.94	-27.19
STRATEGIC MODEL	-2.02	-3.73	-39.36	-35.07
DIFFERENCE	0.26	1.16	8.42	7.88
RATIO	0.87	0.69	0.79	0.78
DOWN PERIODS	1	3	16	20

## **Palm Tran, Inc./ATU Local 1577 Pension Fund Glossary of Terms**

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures the manager's expected return independent of Beta.
- ASSET ALLOCATION- The optimal division of portfolio asset classes in order to achieve an expected investment objective.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund, offered by a bank or insurance company, which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CORE- A type of investment strategy that has approximately an equal weighting in both growth and value stocks in order to achieve a return that is comparable to the broad market performance (i.e., the S&P 500).
- CORRELATION COEFFICIENT- A statistical measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500 and LBGC).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- GROWTH MANAGER- A growth manager generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$5 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MID CAP- Generally, the term refers to a company that has a market capitalization between \$1 and \$5 billion.



## **Palm Tran, Inc./ATU Local 1577 Pension Fund**

### **Glossary of Terms**

-PSN BALANCED AGGRESSIVE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is greater than or equal to 65%.

-PSN BALANCED MODERATE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is between 55% and 64%.

-PSN BALANCED CONSERVATIVE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is equal or less than 54%.

-RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period.

-RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

-R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

-SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

-STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

-SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).

- TIME WEIGHTED RETURN-A measure of the investments verses the investor. When there are no contributions or withdrawals the TIME-weighted and DOLLAR-weighted/internal return are the same. If there are contributions and withdrawals the TIME-weighted and DOLLAR-weighted/internal return can be different. The CFA Institute recommends using the TIME-weighted return. AIMR reasons that the investment manager can not control when an investor makes contributions and withdrawals and thus should not be measured by that.

-TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.





## **Palm Tran, Inc./ATU Local 1577 Pension Fund Glossary of Terms**

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

### Performance Reporting:

- 1.Changes in portfolio valuations due to capital gains or losses, dividends, interest or other income are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
- 2.Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
- 3.Individual client returns may vary due to a variety of factors, including differences in investment objectives and timing of investment decisions.
- 4.BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.
- 5.Portfolio returns are generally shown before the deduction of investment advisory fees.
- 6.Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
- 7.The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
- 8.Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
- 9.Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe be subject to revision.
- 10.BCA has not reviewed the risks of individual security holdings.

The firm's ADV, Part II, is available upon request.

