

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

**INVESTMENT PERFORMANCE  
PERIOD ENDING  
SEPTEMBER 30, 2009**

NOTE: For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers and Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact:  
601 North New York Avenue, Suite 200, Winter Park, Florida 32789, 407-644-0111.



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

### **BCA Market Perspective © October 2009**

#### **Is This Stock Market Rally Too Much Too Soon? Burgess B. Chambers**

The recent stock market rally has many experts asking the question: Is this stock market recovery too much too soon? Since the market bottom in early March 2009, major stock market indices are up 60% or more. Small and mid-cap stocks are up 80%.

Asset Class	Top-Bottom	Date	Months	Recovery	Months
S&P 500	-56.4%	10/07 to 3/09	17	+59.9%	8
International	-63.2%	7/07 to 3/09	20	+79.8%	8
Small-cap	-59.5%	7/07 to 3/09	20	+80.8%	8
REIT	-76.5%	2/07 to 3/09	25	+99.9%	8

The worst stock market decline since 1900 was the drop from 1929-1932 of 86%. The most recent drop ending in early March was the second worst decline, which came only seven years after the third worst decline of 49% in 2000-2002. Two of the three worst bear markets since 1900 have occurred in the current decade.

So how does the latest stock market recovery compare with previous bear market rallies? One year after the bottom of the 1929-1932 bear market, the stock market (S&P 500) rose 172%. A year after the 2000-2002 bottom, the S&P 500 snapped back 34%. As mentioned earlier, as of October 19, 2009, the market has improved 60% or better from its March 9 low. However, breaking down the bear markets since 1900 into “severe” bear markets (down 45% or more) and less severe (down less than 45%) gives an interesting perspective. The performance of the S&P 500 one year after a “severe” bear market low has averaged approximately 62%. One year performance after less severe bear markets shows an average of 37%, significantly less than what would be expected following a more severe decline. The year 2009 points to an average 12-month rally following a severe bear market.

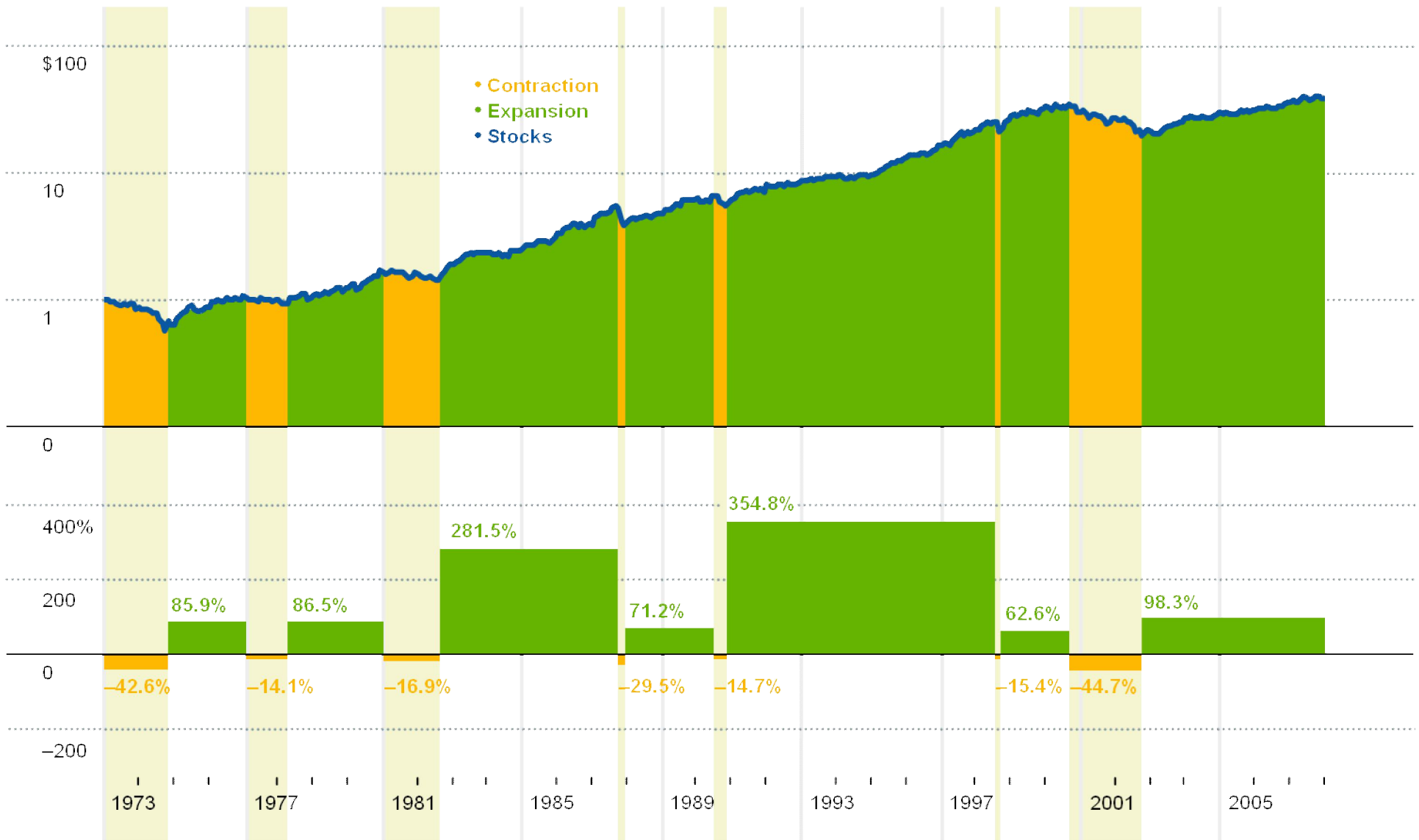
The best case for stocks to continue rising over the next 24 months is for global monetary and tax policies to remain constructive for steady and consistent GDP growth. The result would be for improved corporate revenue, rising tax revenues, and tighter employment. Inflation would need to be proportional to economic growth and investor uncertainty would gradually decrease with an increased appetite for risk. This describes a perfect investment/economic recovery period.

The worst case is an unexpected event of great proportions that throws investors and consumers back into a high state of fear. A series of bank failures in the magnitude of 1,500 institutions would certainly be such a period event. A collapse of several central banks on the magnitude of Mexico and Argentina could trigger a major liquidity squeeze, forcing global intervention.

The recent rally is in line with previous “severe” bear market rallies. Investor appetite for risk has increased since March, in advance of the third quarter earnings season. However, credit conditions do remain unfavorable and may be the single largest negative factor for a sustained economic recovery.

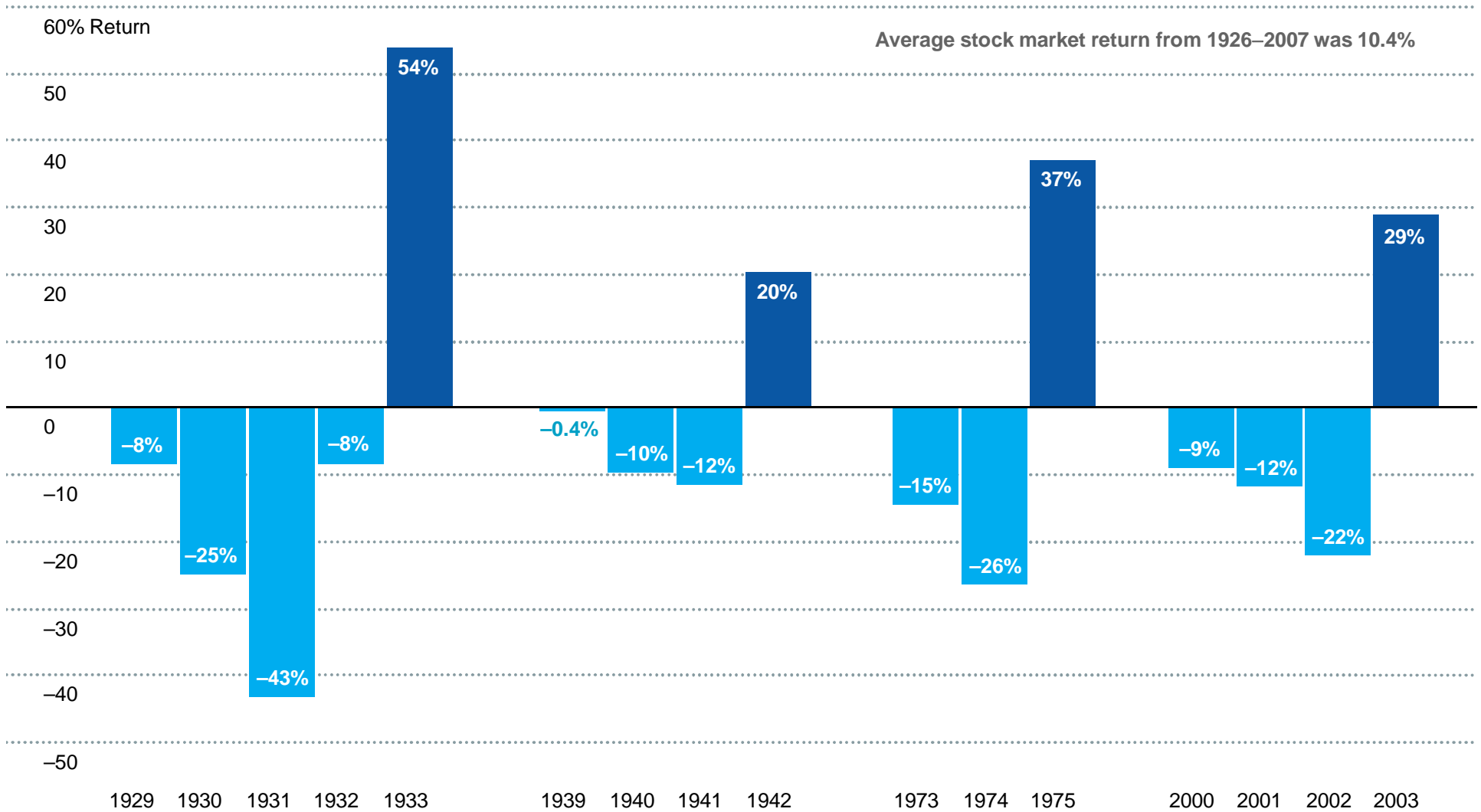


# Stock Market Contractions and Expansions 1973–2007



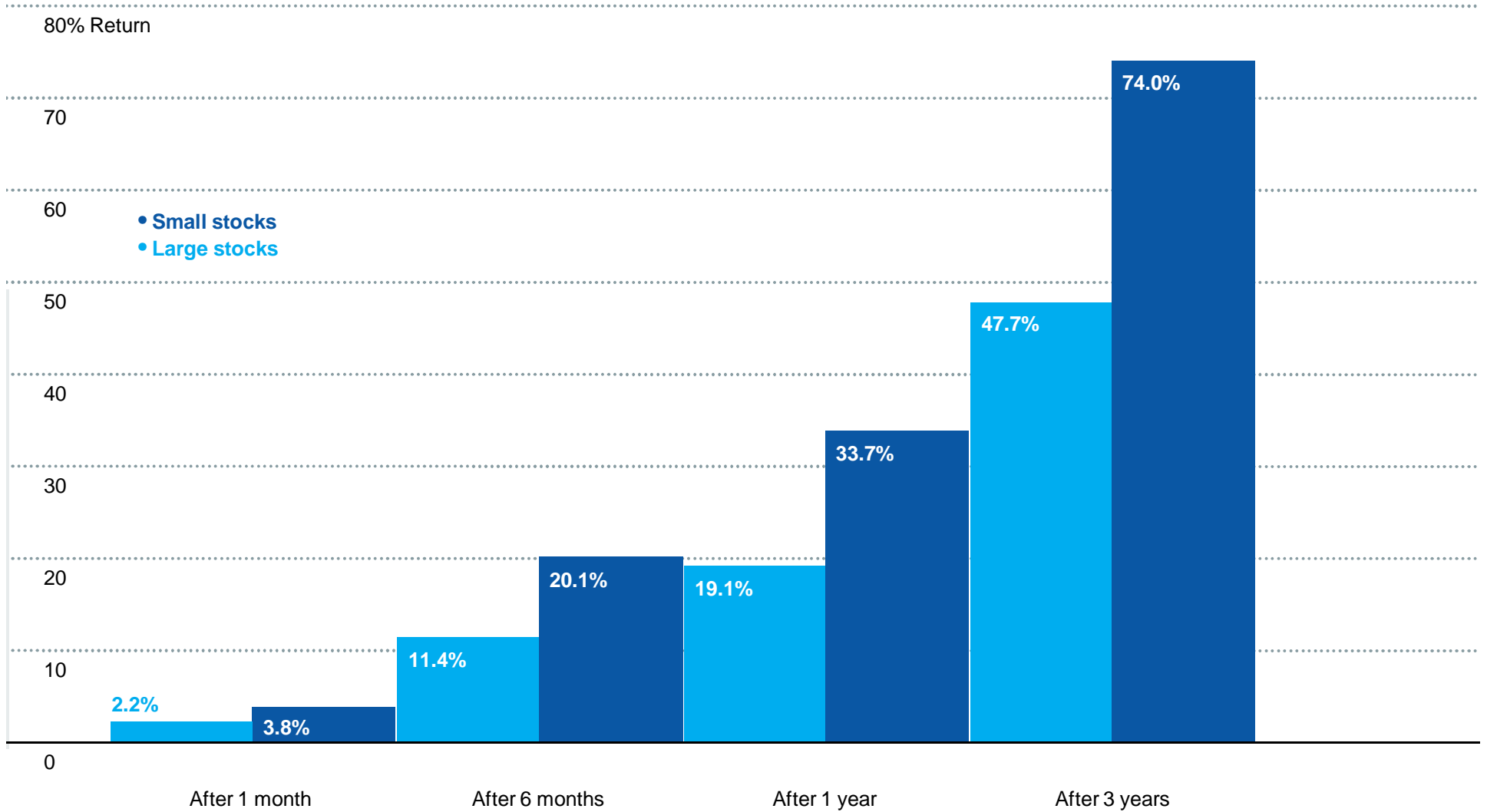
Source: Morningstar Research

# Periods of Consecutive Negative Stock Returns 1926–2007



Source: Morningstar Research

# Stock Performance After Recessions 1945–2007



Source: Morningstar Research

**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Investment Summary**  
**September 30, 2009**

- o During the third quarter of 2009, the Fund earned \$4.0 million or +10.1% net, but trailed the benchmark (+14.8%).
- o Fiscal year-to-date, the Fund the Fund earned \$6.3 million or +16.8% net, but trailed the benchmark (+20.7%).
- o For the 12-month period ending September 30, the Fund the Fund earned \$1.1 million or +2.4% net, and beat the benchmark (+1.1%).

**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Performance  
September 30, 2009**

	<b>Dollars</b>		
	<u><b>Quarter</b></u>	<u><b>Fiscal Year</b></u>	<u><b>One Year</b></u>
<b>Beginning Market Value</b>	39,629,654	36,498,911	41,443,294
<b>Ending Market Value</b>	43,854,954	43,854,954	43,854,954
<b>Net Contributions</b>	+233,699	+1,093,228	+1,282,062
<b>Investment Gain/(Loss)</b>	+3,991,600	+6,262,814	+1,129,598
<b>Investment Return, Net</b>	<b>+10.1%</b>	<b>+16.8%</b>	<b>+2.4%</b>
<b>Strategic Model</b>	+14.8%	+20.7%	+1.1%
<b><i>Value Added (pts.)</i></b>	<b><i>-4.7</i></b>	<b><i>-3.9</i></b>	<b><i>+1.3</i></b>

Fiscal Year: January 1st – December 31st



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Compliance Checklist**  
**September 30, 2009**

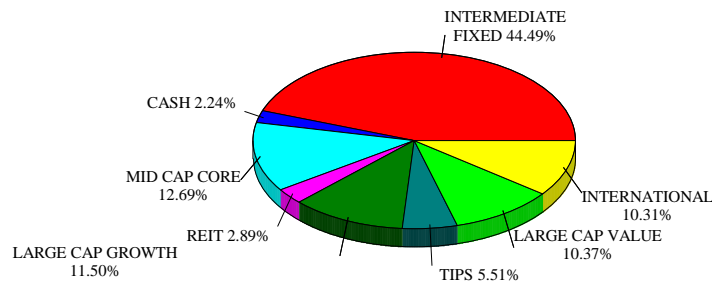
	YES	NO
Total Fund performance achieved the Strategic Model over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Fund performance ranked in the top 40th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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 type="checkbox"/>	<input checked="" type="checkbox"/>
Lotsoff mid-cap value performance ranked in the top 40th percentile over the three-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fischer international performance achieved the MCSI EAFE over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fischer international performance ranked in the top 40th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input 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.	<input checked="" type="checkbox"/>	<input 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"/>



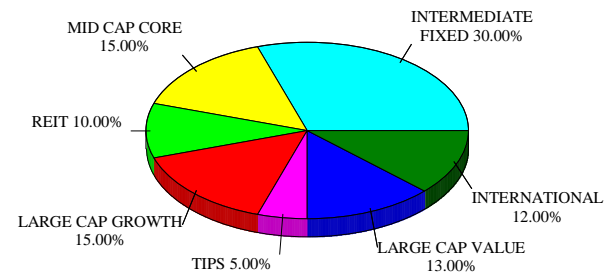


**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Actual vs. Target Asset Allocation**  
**September 30, 2009**

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**

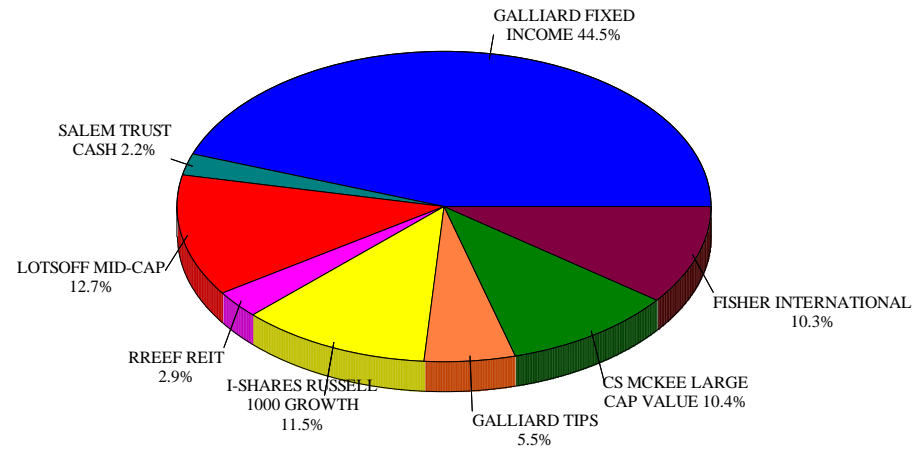


	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
LARGE CAP VALUE	4,549,172.3	10.4%	5,701,144.0	13.0%	(1,151,971.6)	(2.6%)
LARGE CAP GROWTH	5,042,279.1	11.5%	6,578,243.0	15.0%	(1,535,963.9)	(3.5%)
MID CAP CORE	5,566,735.0	12.7%	6,578,243.0	15.0%	(1,011,508.0)	(2.3%)
INTERNATIONAL	4,523,035.5	10.3%	5,262,594.4	12.0%	(739,558.9)	(1.7%)
REIT	1,265,738.6	2.9%	4,385,495.4	10.0%	(3,119,756.7)	(7.1%)
INTERMEDIATE FIXED	19,510,535.9	44.5%	13,156,486.1	30.0%	6,354,049.9	14.5%
TIPS	2,417,233.4	5.5%	2,192,747.7	5.0%	224,485.7	0.5%
CASH	980,223.6	2.2%	0.0	0.0%	980,223.6	2.2%
<b>TOTAL FUND</b>	<b>\$43,854,953.6</b>	<b>100.0%</b>	<b>\$43,854,953.6</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**

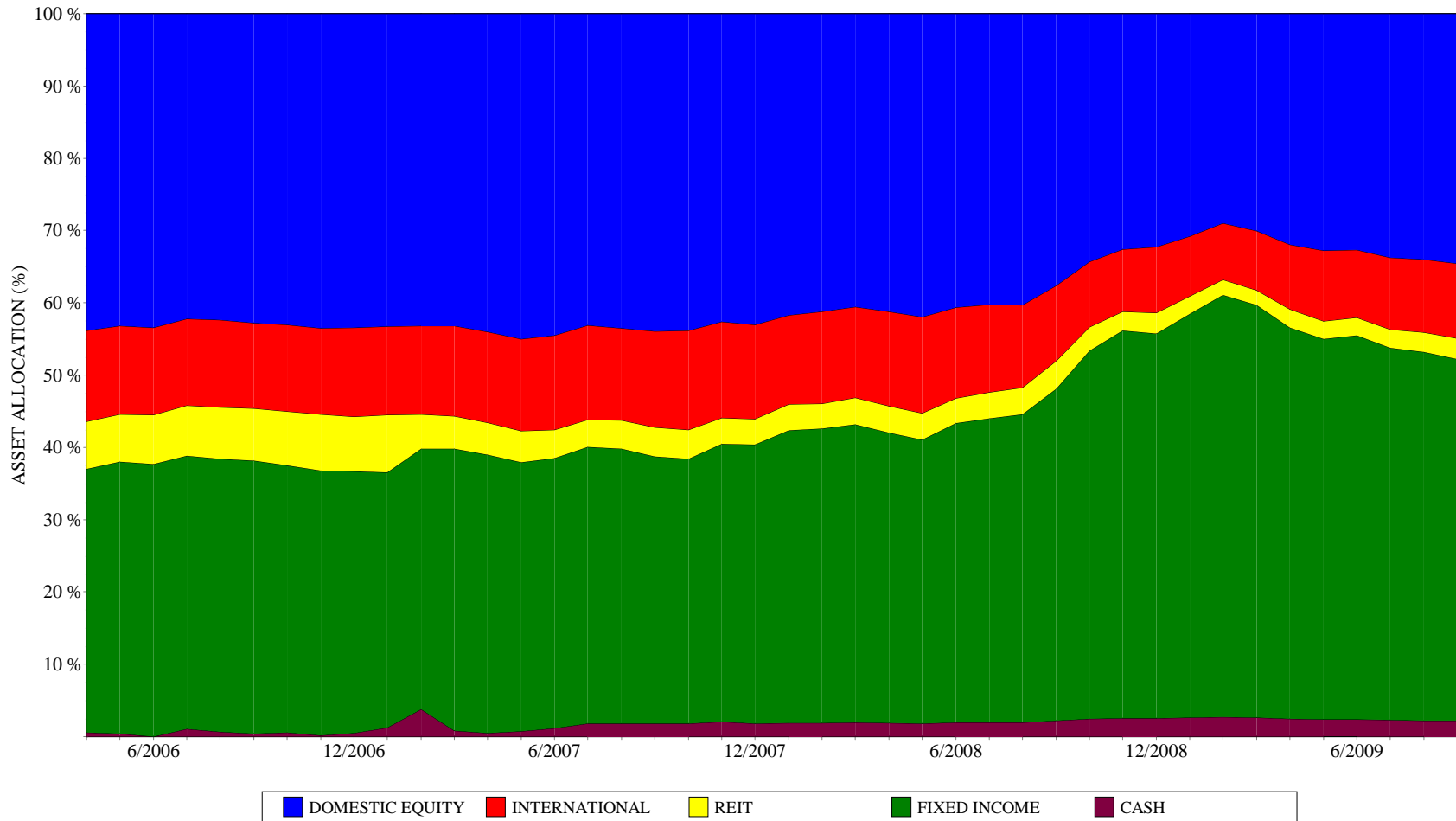
TOTAL MARKET VALUE  
 AS OF SEPTEMBER 30, 2009  
 \$ 43,854,954



	VALUE	PERCENT
GALLIARD FIXED INCOME	19,510,536	44.49
LOTSOFF MID-CAP	5,566,735	12.69
I-SHARES RUSSELL 1000 GROWTH	5,042,279	11.50
CS MCKEE LARGE CAP VALUE	4,549,172	10.37
FISHER INTERNATIONAL	4,523,036	10.31
GALLIARD TIPS	2,417,233	5.51
RREEF REIT	1,265,739	2.89
SALEM TRUST CASH	980,224	2.24



**PALM TRAN, INC./ATU LOCAL 1577 PENSION FUND**  
**ATU 1577**  
**ALLOCATION OF ASSETS**  
**APRIL 1, 2006 THROUGH SEPTEMBER 30, 2009**



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**September 30, 2009**  
**Gross of Fees**

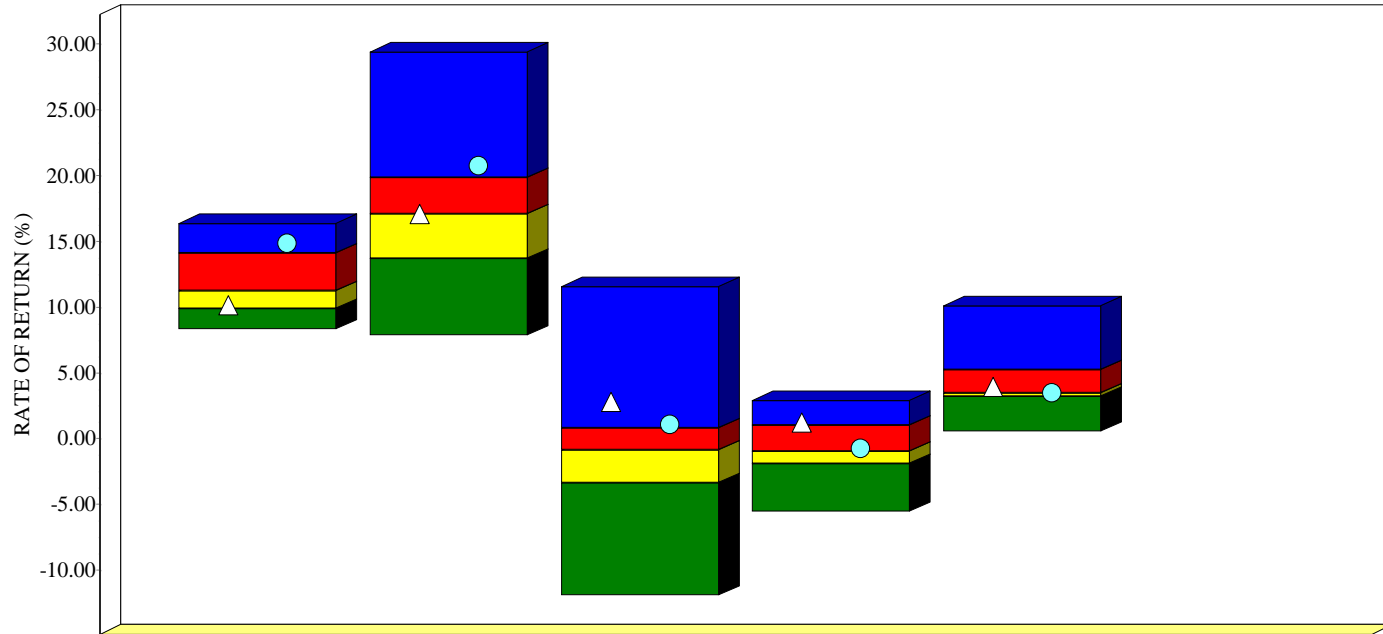
Name	Market Values	QTR ROR	FYTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
CS McKee Large Cap Value	4,549,172	14.7%	16.5%	-8.3%	-14.4%	-4.8%	N/A
i-Shares Russell 1000 Growth	5,042,279	13.8%	26.7%	-2.8%	-12.0%	-2.7%	N/A
Lotsoff Mid-Cap	5,566,735	23.4%	45.4%	4.6%	-13.9%	-2.9%	N/A
<b>Total Domestic Equity</b>	<b>15,158,186</b>	<b>17.4%</b>	<b>29.4%</b>	<b>-2.0%</b>	<b>-13.4%</b>	<b>-3.4%</b>	<b>N/A</b>
<u>International</u>							
Fisher International	4,523,036	21.5%	36.0%	4.5%	-14.6%	-1.7%	N/A
<b>Total Equity</b>	<b>19,681,222</b>	<b>18.3%</b>	<b>30.9%</b>	<b>-0.6%</b>	<b>-13.7%</b>	<b>-3.0%</b>	<b>N/A</b>
<u>Real Estate</u>							
RREEF REIT	1,265,739	32.5%	20.0%	-27.8%	-20.6%	-12.1%	N/A
<u>Fixed Income</u>							
Galliard Fixed Income	19,510,536	3.2%	7.4%	10.7%	7.7%	7.0%	N/A
Galliard TIPS	2,417,233	2.8%	9.0%	3.5%	5.8%	5.7%	N/A
<b>Total Fixed Income</b>	<b>21,927,769</b>	<b>3.2%</b>	<b>7.6%</b>	<b>9.8%</b>	<b>7.5%</b>	<b>6.8%</b>	<b>N/A</b>
<u>Cash</u>							
Salem Trust Cash	980,224	0.0%	0.1%	0.1%	1.4%	N/A	N/A
<b>TOTAL: (1, 2)</b>	<b>43,854,954</b>	<b>10.2%</b>	<b>17.1%</b>	<b>2.8%</b>	<b>-5.3%</b>	<b>1.2%</b>	<b>3.9%</b>
Strategic Model		14.8%	20.7%	1.1%	-6.8%	-0.7%	3.5%
Russell 1000 Value		18.2%	14.8%	-10.6%	-17.3%	-7.9%	0.9%
Russell 1000 Growth		14.0%	27.1%	-1.9%	-11.9%	-2.5%	1.9%
MSCI Mid Cap 450		21.6%	31.7%	-2.0%	-13.9%	-4.4%	3.9%
MSCI Gross EAFE		19.5%	29.6%	3.8%	-14.8%	-3.1%	6.6%
Wilshire REIT		35.4%	17.8%	-29.2%	-21.3%	-13.7%	1.2%
Fixed Income Bnch		4.3%	10.9%	13.7%	7.8%	6.9%	5.5%
BC 1-10 Yr TIPS		3.0%	9.7%	4.0%	5.9%	5.7%	4.7%
ML 3M TBill		0.1%	0.2%	0.4%	1.6%	2.8%	3.1%

1 Strategic Model (IPS hybrid benchmark objective):: from Sept'07 is 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'05 100% BCA Custom Bond Benchmark (49% Lehman Mortgage + 40% Lehman Intermediate Credit + 11% Citi ABS); prior from May'02 100% Merrill Lynch Domestic Bond Master.

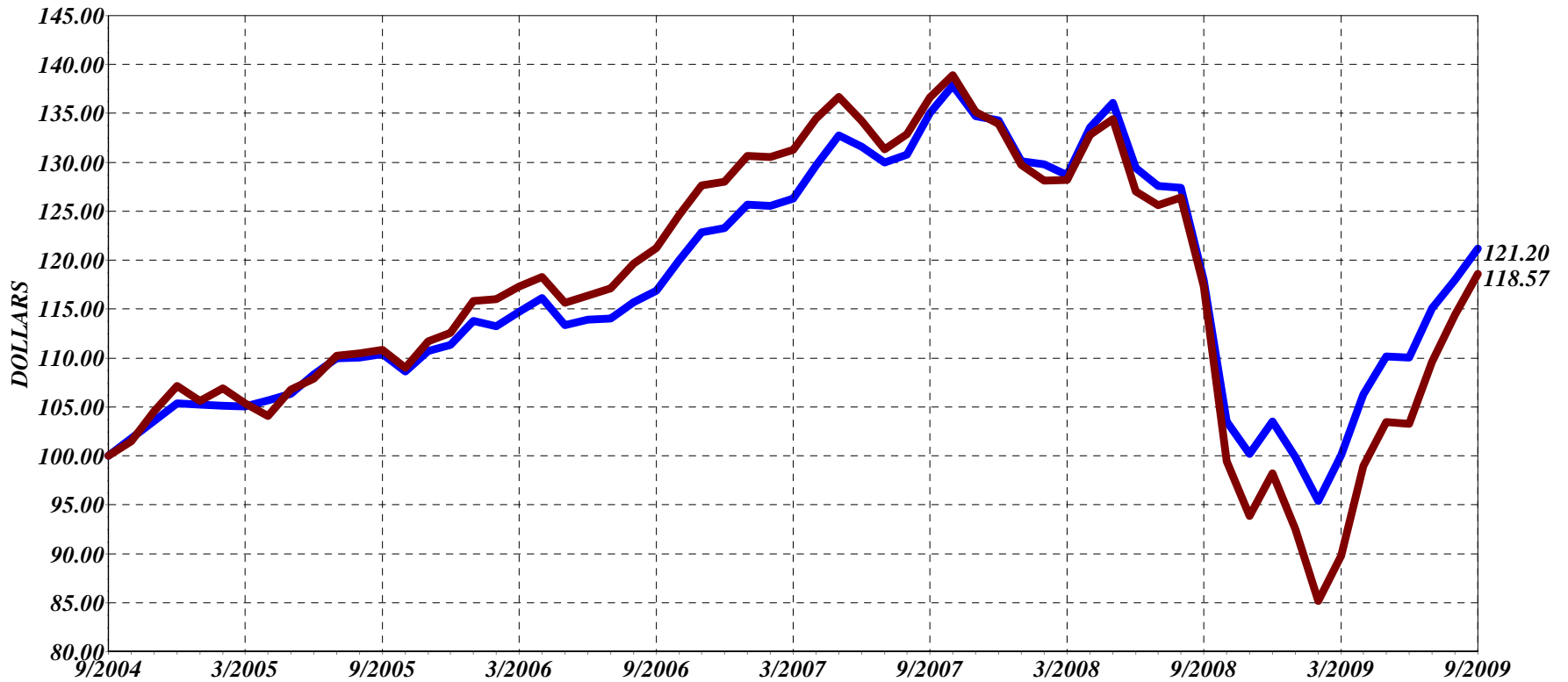


**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Total Fund Versus Balanced Aggressive**  
**September 30, 2004 Through September 30, 2009**



	LATEST QUARTER		YEAR TO DATE		ONE YEAR		THREE YEARS		FIVE YEARS	
HIGHEST VALUE	16.35		29.41		11.54		2.90		10.08	
FIRST QUARTILE	14.12		19.87		0.81		1.01		5.25	
MEDIAN VALUE	11.23		17.06		-0.89		-0.98		3.47	
THIRD QUARTILE	9.88		13.70		-3.36		-1.93		3.20	
LOWEST VALUE	8.29		7.84		-11.95		-5.58		0.54	
MEAN	12.03		16.54		-1.24		-0.83		4.05	
MEMBERS	36		36		36		36		29	
	LATEST QUARTER		YEAR TO DATE		ONE YEAR		THREE YEARS		FIVE YEARS	
	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
△ TF	10.16	69	17.10	47	2.77	13	1.22	16	3.92	37
● STRATEGIC MODEL	14.81	19	20.74	13	1.07	16	-0.74	41	3.47	55

**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Growth of a Dollar Analysis**  
**September 30, 2004 Through September 30, 2009**



	LATEST QUARTER	YEAR TO DATE	ONE YEAR	THREE YEARS	FIVE YEARS
ATU 1577	10.16	17.10	2.77	1.22	3.92
STRATEGIC MODEL	14.81	20.74	1.07	-0.74	3.47



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
CS McKee Large Cap Value  
Performance Profile  
Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2009	16.31
WORST QUARTER	12/2008	-21.27
BEST 4 QUARTERS	9/2007	17.82
WORST 4 QUARTERS	9/2008	-20.10

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	14.70	16.50	-8.27	-14.39	-4.77
RUSSELL 1000 VALUE	18.24	14.85	-10.62	-17.34	-7.87
EXCESS	-3.55	1.66	2.34	2.95	3.10
RISKLESS INDEX	0.07	0.17	0.39	1.64	2.82
REAL ROR	14.24	13.11	-7.16	-15.96	-6.84

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-8.27	78	29.55	-0.29	1.47	0.93	98.32	0.41
TWO YEARS	-14.39	66	23.24	-0.69	2.12	0.94	96.97	0.72
THREE YEARS	-4.77	58	19.94	-0.38	2.53	0.94	96.94	0.82

*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 September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2009	17.02
WORST QUARTER	12/2008	-23.29
BEST 4 QUARTERS	9/2007	19.13
WORST 4 QUARTERS	9/2008	-20.34

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 21  
# OF NEGATIVE PERIODS: 15

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	13.80	26.68	-2.82	-12.02	-2.67
RUSSELL 1000 GROWTH	13.97	27.11	-1.85	-11.88	-2.50
EXCESS	-0.17	-0.44	-0.97	-0.14	-0.16
RISKLESS INDEX	0.07	0.17	0.39	1.64	2.82
REAL ROR	13.35	23.04	-1.53	-13.58	-4.74

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-2.82	46	27.29	-0.12	-0.91	1.01	99.87	-0.88
TWO YEARS	-12.02	48	22.68	-0.60	-0.20	1.00	99.76	-0.16
THREE YEARS	-2.67	59	19.43	-0.28	-0.18	1.00	99.72	-0.18

*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 September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2009	30.08
WORST QUARTER	12/2008	-28.05
BEST 4 QUARTERS	9/2007	23.33
WORST 4 QUARTERS	9/2008	-29.14

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	23.43	45.43	4.63	-13.89	-2.94
MSCI MID CAP 450	21.57	31.73	-2.02	-13.95	-4.37
EXCESS	1.86	13.69	6.65	0.05	1.43
RISKLESS INDEX	0.07	0.17	0.39	1.64	2.82
REAL ROR	22.96	41.25	6.15	-15.38	-4.97

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	4.63	1	40.29	0.11	8.21	1.17	98.00	1.10
TWO YEARS	-13.89	67	33.93	-0.46	4.57	1.20	97.06	0.21
THREE YEARS	-2.94	52	28.71	-0.20	3.74	1.20	96.98	0.39

*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 September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2009	26.57
WORST QUARTER	9/2008	-23.72
BEST 4 QUARTERS	9/2007	30.29
WORST 4 QUARTERS	9/2008	-30.23

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	21.46	35.96	4.51	-14.61	-1.70
MSCI GROSS EAFE	19.52	29.58	3.79	-14.84	-3.12
EXCESS	1.94	6.37	0.72	0.23	1.42
RISKLESS INDEX	0.07	0.17	0.39	1.64	2.82
REAL ROR	20.98	32.00	5.87	-16.14	-3.79

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	4.51	46	40.07	0.10	1.54	1.17	98.01	0.35
TWO YEARS	-14.61	58	33.33	-0.49	4.17	1.17	97.32	0.23
THREE YEARS	-1.70	44	28.16	-0.16	3.11	1.16	96.67	0.38

*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 September 30, 2009**

	ENDED	RETURN
BEST QUARTER	9/2009	32.51
WORST QUARTER	12/2008	-39.85
BEST 4 QUARTERS	9/2007	7.68
WORST 4 QUARTERS	9/2009	-27.79

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	32.51	20.04	-27.79	-20.59	-12.11
WILSHIRE REIT	35.42	17.85	-29.23	-21.30	-13.69
EXCESS	-2.90	2.19	1.44	0.70	1.58
RISKLESS INDEX	0.07	0.17	0.39	1.64	2.82
REAL ROR	32.04	16.43	-26.54	-21.85	-13.90

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-27.79	74	62.39	-0.45	-0.43	0.96	99.65	0.00
TWO YEARS	-20.59	70	46.05	-0.48	-0.60	0.96	99.54	-0.04
THREE YEARS	-12.11	62	39.25	-0.38	0.86	0.96	99.50	0.36

*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 September 30, 2009**

	ENDED	RETURN
BEST QUARTER	9/2009	3.21
WORST QUARTER	6/2008	-0.74
BEST 4 QUARTERS	9/2009	10.74
WORST 4 QUARTERS	9/2008	4.69

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

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	3.21	7.43	10.74	7.67	6.99
FIXED INCOME BNCH	4.27	10.93	13.70	7.79	6.88
EXCESS	-1.06	-3.50	-2.97	-0.12	0.11
RISKLESS INDEX	0.07	0.17	0.39	1.64	2.82
REAL ROR	2.80	4.37	11.77	5.60	4.60

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	10.74	60	3.56	2.90	2.57	0.58	81.88	-0.98
TWO YEARS	7.67	27	3.23	1.87	2.35	0.58	79.50	-0.08
THREE YEARS	6.99	25	2.97	1.40	1.55	0.63	77.33	0.02

*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 September 30, 2009**

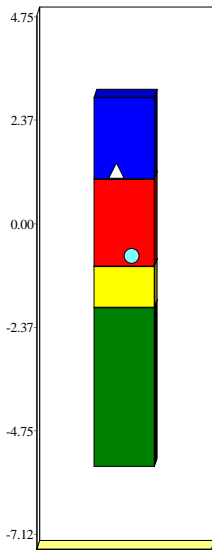
	ENDED	RETURN
BEST QUARTER	3/2008	5.91
WORST QUARTER	12/2008	-5.04
BEST 4 QUARTERS	9/2008	8.16
WORST 4 QUARTERS	9/2009	3.49

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 25  
# OF NEGATIVE PERIODS: 11

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
GALLIARD TIPS	2.82	3.49	5.80	5.74
BC 1-10 YR TIPS	2.99	4.02	5.93	5.73
EXCESS	-0.17	-0.54	-0.13	0.01
RISKLESS INDEX	0.07	0.39	1.64	2.82
REAL ROR	2.41	4.57	3.85	3.43

PERIOD	RETURN	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	3.49	10.42	0.30	-0.47	0.99	99.47	-0.68
TWO YEARS	5.80	8.81	0.47	-0.10	1.00	97.78	-0.10
THREE YEARS	5.74	7.47	0.39	0.04	0.99	96.46	0.00

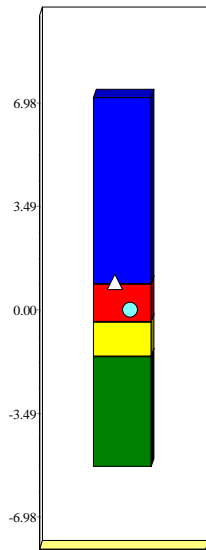
**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**ATU 1577**  
**Total Fund Within Balanced Aggressive**  
**September 30, 2006 Through September 30, 2009**



**RETURN**

HIGHEST VALUE	2.90
FIRST QUARTILE	1.01
MEDIAN VALUE	-0.98
THIRD QUARTILE	-1.93
LOWEST VALUE	-5.58
MEAN	-0.83

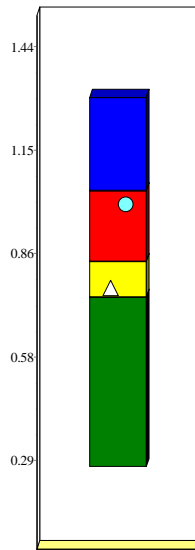
	VALUE	RANK
△ TF	1.22	16
○ STRATEGIC MODEL	-0.74	41



**ALPHA**

HIGHEST VALUE	7.17
FIRST QUARTILE	0.87
MEDIAN VALUE	-0.40
THIRD QUARTILE	-1.58
LOWEST VALUE	-5.30
MEAN	-0.24

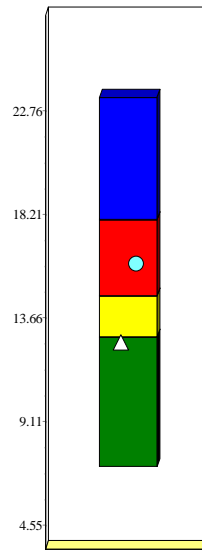
	VALUE	RANK
△ TF	0.94	20
○ STRATEGIC MODEL	0.00	40



**BETA**

HIGHEST VALUE	1.30
FIRST QUARTILE	1.04
MEDIAN VALUE	0.84
THIRD QUARTILE	0.74
LOWEST VALUE	0.27
MEAN	0.88

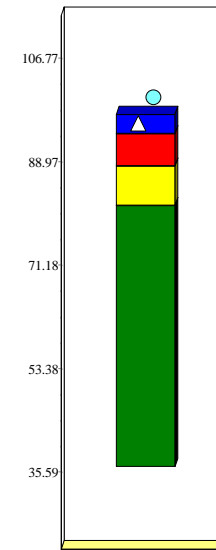
	VALUE	RANK
△ TF	0.77	68
○ STRATEGIC MODEL	1.00	31



**STD DEV**

HIGHEST VALUE	23.36
FIRST QUARTILE	17.97
MEDIAN VALUE	14.60
THIRD QUARTILE	12.79
LOWEST VALUE	7.10
MEAN	15.11

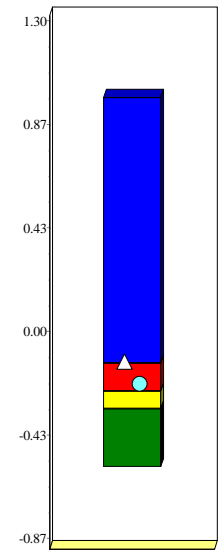
	VALUE	RANK
△ TF	12.59	80
○ STRATEGIC MODEL	16.03	40



**R-SQUARED**

HIGHEST VALUE	97.01
FIRST QUARTILE	93.76
MEDIAN VALUE	88.18
THIRD QUARTILE	81.39
LOWEST VALUE	36.45
MEAN	85.75

	VALUE	RANK
△ TF	95.51	14
○ STRATEGIC MODEL	100.00	1



**SHARPE RATIO**

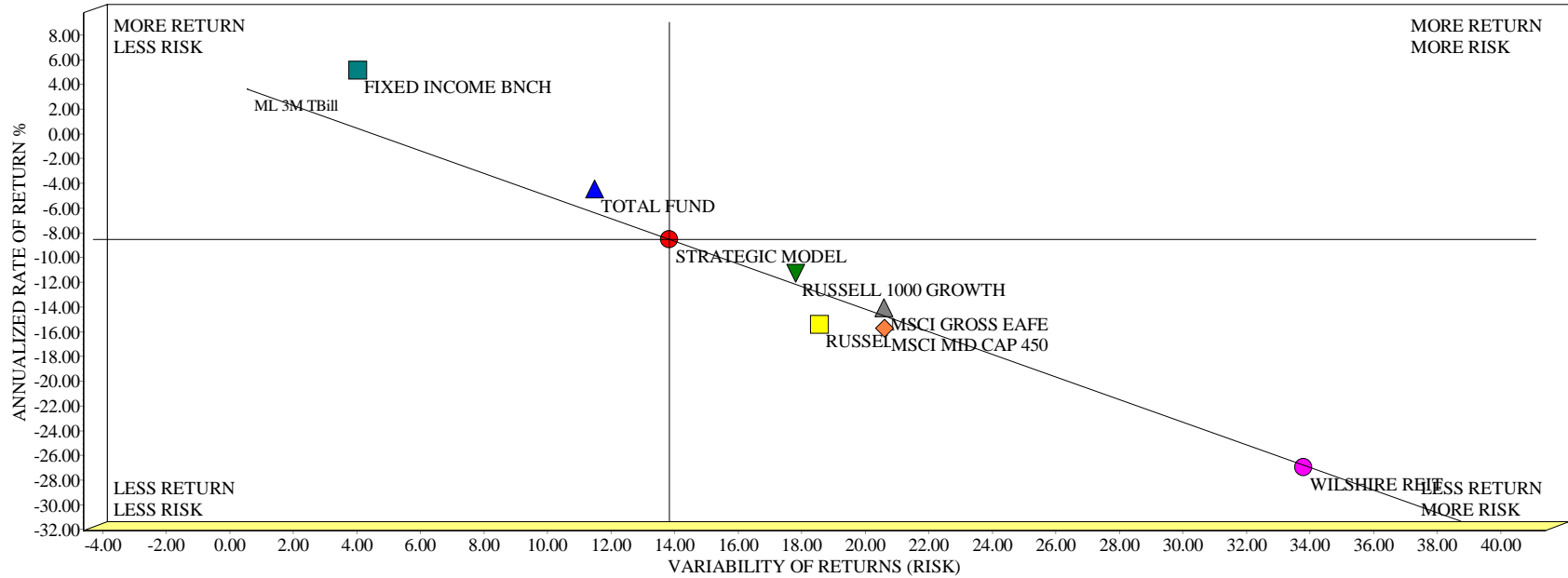
HIGHEST VALUE	0.98
FIRST QUARTILE	-0.13
MEDIAN VALUE	-0.25
THIRD QUARTILE	-0.32
LOWEST VALUE	-0.57
MEAN	-0.21

	VALUE	RANK
△ TF	-0.13	22
○ STRATEGIC MODEL	-0.22	37

The risk benchmark for this analysis is the Strategic Model.

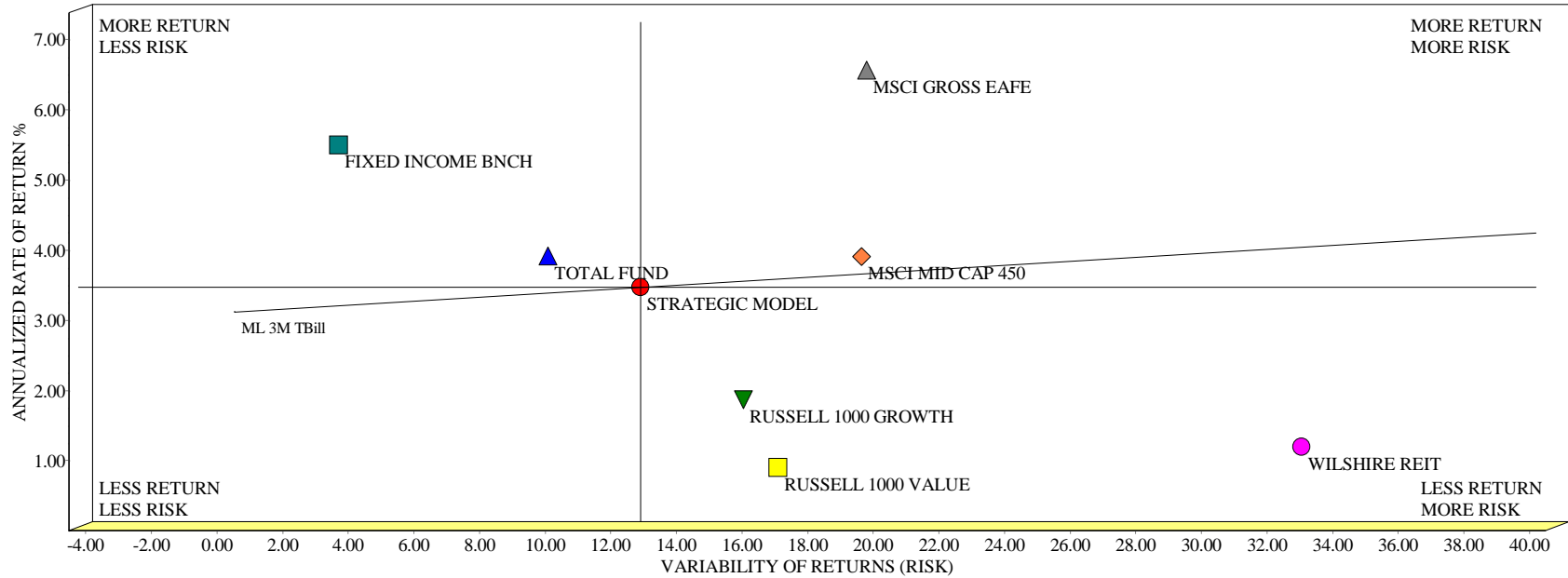


**PALM TRAN, INC./ATU LOCAL 1577 PENSION FUND**  
**ATU 1577**  
**CAPITAL MARKET LINE**  
**MARCH 31, 2006 THROUGH MARCH 31, 2009**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	-4.46	11.49	0.81	1.84	95.37
● STRATEGIC MODEL	-8.52	13.83	1.00	0.00	100.00
■ RUSSELL 1000 VALUE	-15.40	18.56	1.00	0.00	100.00
▼ RUSSELL 1000 GROWTH	-11.28	17.80	1.00	0.00	100.00
◆ MSCI MID CAP 450	-15.73	20.60	1.00	0.00	100.00
▲ MSCI GROSS EAFE	-14.07	20.58	1.00	0.00	100.00
● WILSHIRE REIT	-26.98	33.80	1.00	0.00	100.00
■ FIXED INCOME BNCH	5.17	4.02	1.00	0.00	100.00

**PALM TRAN, INC./ATU LOCAL 1577 PENSION FUND**  
**ATU 1577**  
**CAPITAL MARKET LINE**  
**SEPTEMBER 30, 2004 THROUGH SEPTEMBER 30, 2009**

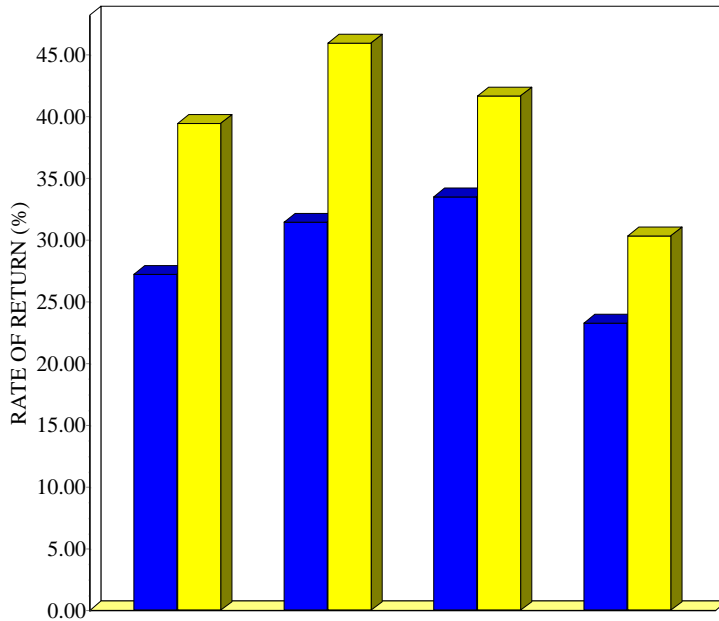


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	3.92	10.08	0.76	0.39	93.67
● STRATEGIC MODEL	3.47	12.91	1.00	0.00	100.00
■ RUSSELL 1000 VALUE	0.90	17.09	1.00	0.00	100.00
▼ RUSSELL 1000 GROWTH	1.86	16.04	1.00	0.00	100.00
◆ MSCI MID CAP 450	3.91	19.64	1.00	0.00	100.00
▲ MSCI GROSS EAFE	6.57	19.79	1.00	0.00	100.00
● WILSHIRE REIT	1.19	33.04	1.00	0.00	100.00
■ FIXED INCOME BNCH	5.50	3.70	1.00	0.00	100.00



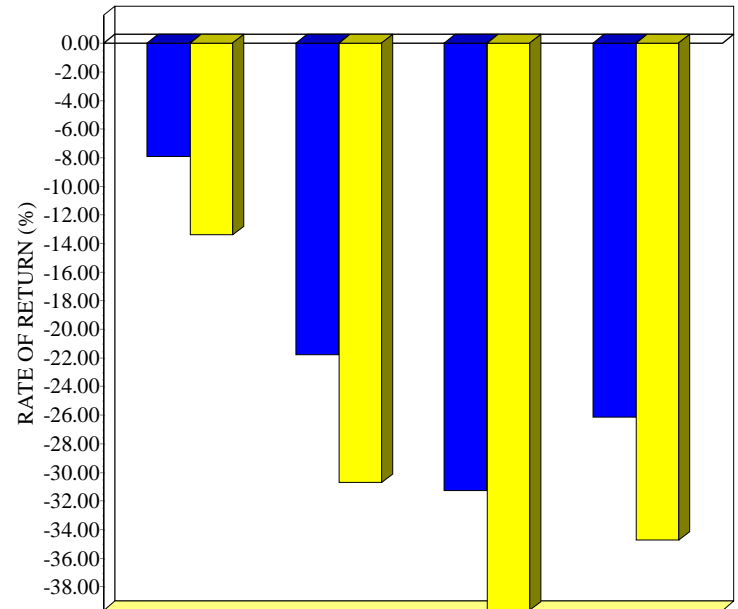
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Performance in Rising and Declining Markets  
As Compared to the Benchmark  
September 30, 2004 Through September 30, 2009**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	27.22	31.46	33.51	23.30
STRATEGIC MODEL	39.45	45.93	41.64	30.32
DIFFERENCE	-12.24	-14.47	-8.14	-7.02
RATIO	0.69	0.68	0.80	0.77
UP PERIODS	6	7	21	40

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-7.96	-21.82	-31.30	-26.18
STRATEGIC MODEL	-13.42	-30.74	-39.67	-34.78
DIFFERENCE	5.47	8.92	8.36	8.60
RATIO	0.59	0.71	0.79	0.75
DOWN PERIODS	3	5	15	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.

