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*Burgess Chambers & Associates, Inc.*

*Institutional Investment Advisors*

*[www.burgesschambers.com](http://www.burgesschambers.com)*

***September 30, 2017***

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

## Investment Performance Period Ending September 30, 2017

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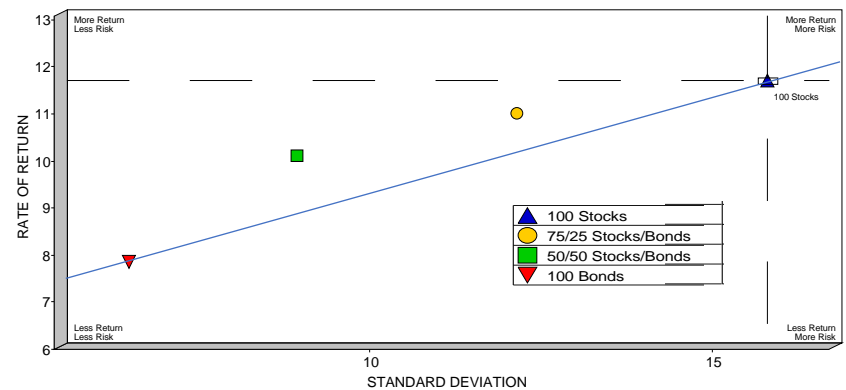


# Palm Tran, Inc./ATU Local 1577 Pension Fund BCA Market Perspective © Bonds Place in a Bull Market

Mitchel Brennan  
October 2017

As the markets sit today, investors find themselves in uncharted waters. For over three decades, bonds have been an integral part to any well diversified investment portfolio, enjoying one of the longest secular bull markets in market history. This run has benefitted immensely from Fed actions and quantitative easing; but now, that accomodative environment is changing. The Federal Reserve looks to unwind their balance sheet and move US interest rates back to a more normalized level. Should investors maintain their position in fixed income with the prospect of rising interest rates?

In December 2015, the Fed began the process of raising the Federal Funds Rate, which has resulted in 4 rate hikes, raising the target from 0.25% to 1.25%. It is anticipated there will be an additional hike in December 2017 and three more for 2018. Most investors fear negative returns from bonds if rates rise, but what is the actual downside if they do? Right now the Bloomberg Barclay's Aggregate Bond Index (BBAG Index), the most widely used bond benchmark, has a duration of 6.1 years and an average coupon of 3.03%. That means if rates were to rise by 100 basis points (1.00%) you would expect a total return of roughly -3.0% from the index. The logical follow up questions are: "what is the worst case scenario for bonds?" and "how does that compare to the potential downside risk associated with equities?"



Historically, bonds have allowed investors to preserve capital with significantly less downside risk compared to stocks. The three worst drawdowns for bonds (BBAG Index) since 1980 were drops of -8.99% (6/1980-9/1981), -5.15% (1/1994-6/1994), and -4.89% (2/1987-9/1987). To put that into perspective, over the same time period US Equities (S&P 500 Index) have averaged intra-year drops of -14.1% (JPMorgan Market Insights), including drops of -50.95% (10/2007-2/2009), -44.73% (8/2000-9/2002), and -29.58% (8/1987-11/1987).

Complementing an equity portfolio with bonds helps generate alpha while reducing volatility, as illustrated above. Adding just 25% bonds to a portfolio reduces standard deviation by 23% and beta by 24% while only sacrificing 0.7% in total return. Adding 50% bonds reduces standard deviation by 44% and beta by 47% while only sacrificing 1.6% in total return.

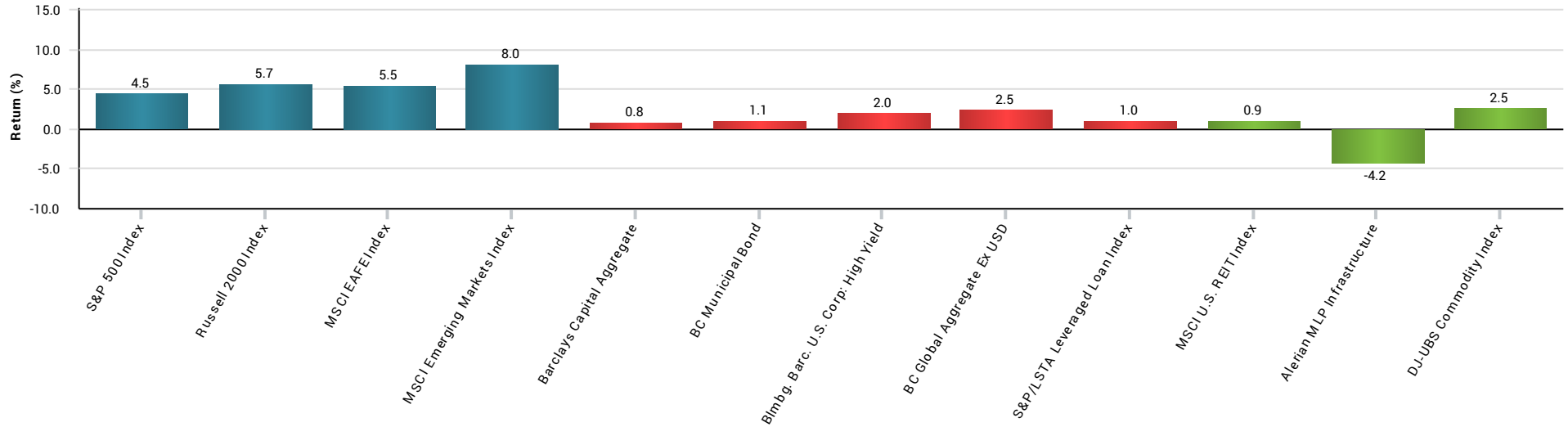
US stocks are in the second longest equity bull market, at 103 months and counting. Considering that historical bull markets have averaged a length of only 54 months, seeing a correction of 10% or more would not be out of the question. With that in mind, bonds still belong as a capital preserver and income producer in a well diversified investment portfolio.

Source: JPMorgan: Market Insights, September 2017. PSN.

Disclosure: All expressions of opinion reflect the judgment of the author as of the date of publication and are subject to change. Content should not be regarded as a complete analysis of the subjects discussed or as personalized investment advice. All investment strategies have the potential for profit or loss. References to market performance in publications do not represent the returns achieved by Burgess Chambers & Associates or any of its advisory clients.

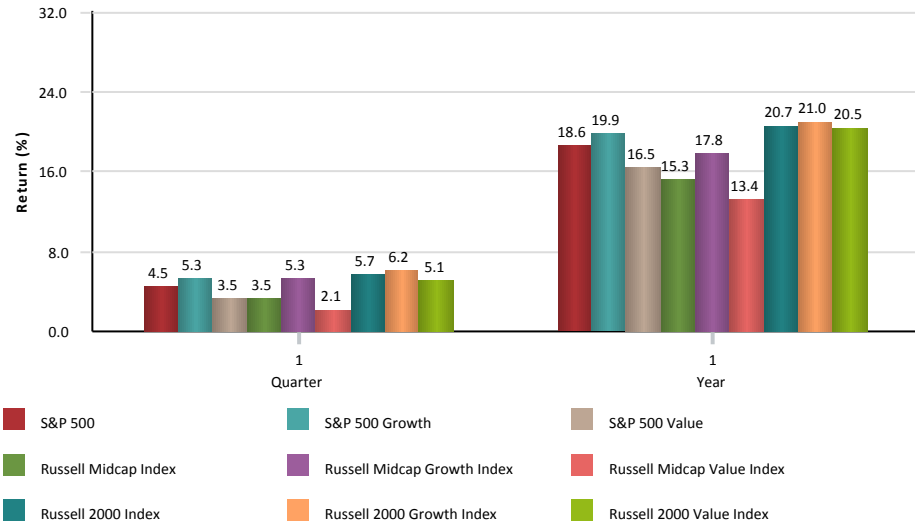


1 Quarter Performance



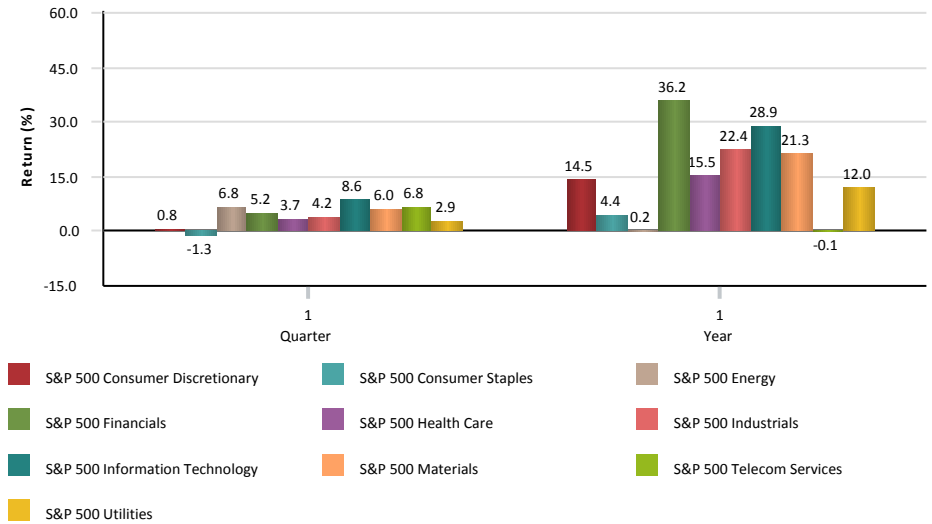
Source: Investment Metrics, LLC

US Market Indices Performance



Source: Investment Metrics, LLC

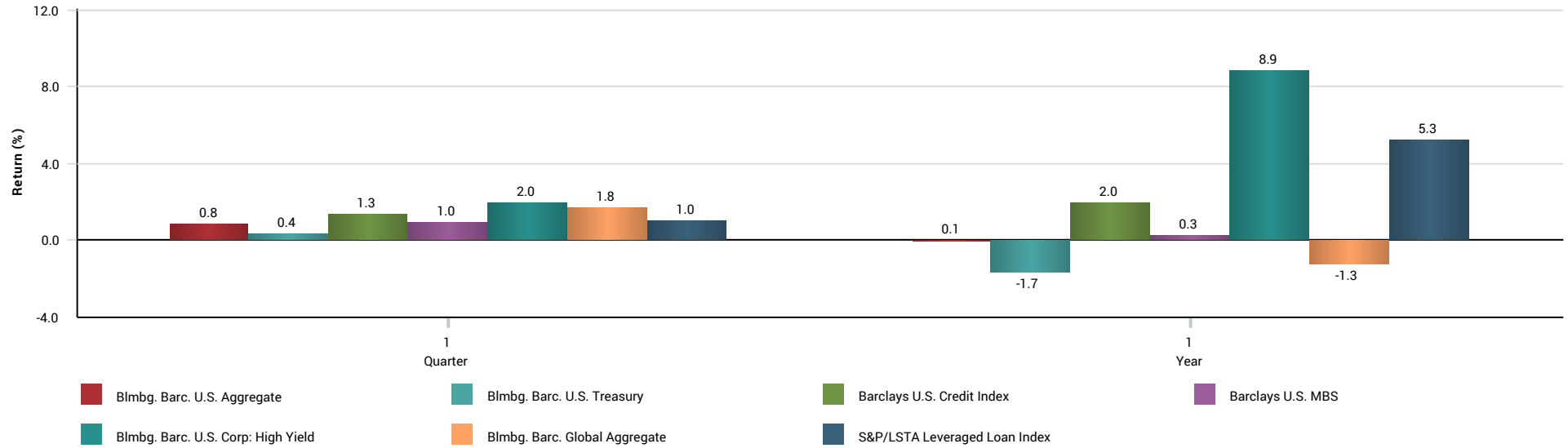
US Market Sector Performance



Source: Investment Metrics, LLC

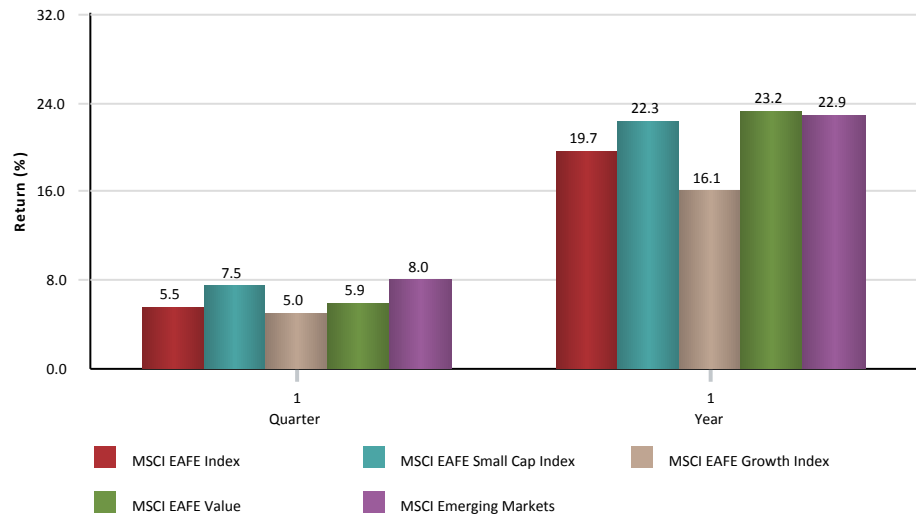


Fixed Income Market Sector Performance



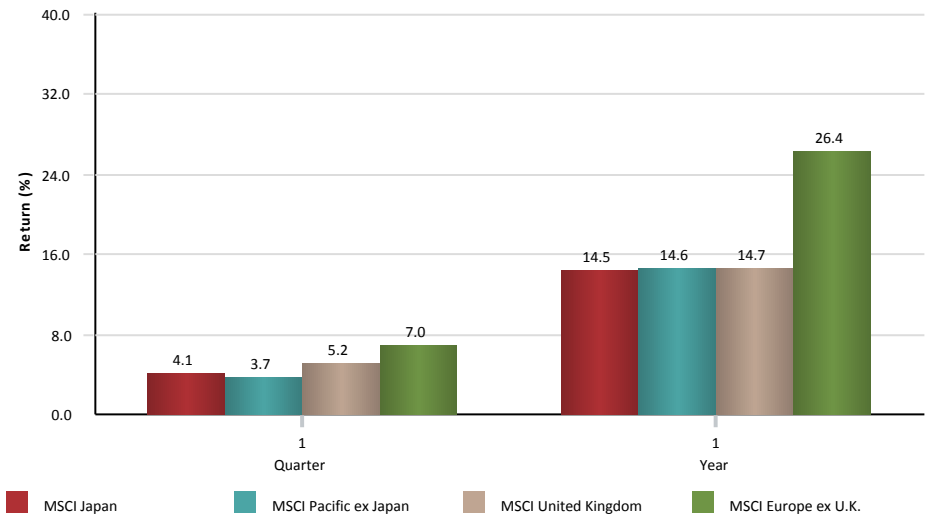
Source: Investment Metrics, LLC

Intl Equity Indices Performance



Source: Investment Metrics, LLC

Intl Equity Region Performance



Source: Investment Metrics, LLC



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Investment Summary**  
**September 30, 2017**

During the third quarter, the U.S. stock market remained resilient to foreign politics and natural disasters. However, it should be noted that the market is trading at 11% premium, based on the 25-year average P/E ratio, and we are entering into the 103rd month of this current bull-market. Since the market peak (Oct 2007) and market low (March 2009), the S&P 500 index has risen 100% and 346%, respectively.

- **For the quarter, the Fund earned \$2.9 million or +3.0% (+2.9% net), in line with the 35/15/50 benchmark (+3.0%) and strategic benchmark (+3.0%).** The best four performing asset categories were: Fisher All Foreign (+7.6%), Euro-Pacific growth (+6.9%), Scout mid-cap core (+6.1%) and Vanguard index FTSE All-World ex US (+6.0%).
- For the one-year period, the Fund earned \$10.5 million, or +11.8% (+11.2% net), ahead of the 35/15/50 benchmark (+9.3%) and the strategic benchmark (+10.8%). The best three performing asset categories were: Scout mid-cap core (+25.6%), Fisher All Foreign (+24.2%) and iShares Russell 1000 growth (+21.7%).
- For the four-year period, the Fund earned \$23.2 million or +7.2% (+6.5% net) per year, ahead of the 35/15/50 benchmark (+6.7%).
- **For the five-year period, the Fund earned \$30.0 million or +8.0% (+7.3% net) per year, ahead of the 35/15/50 benchmark (+7.2%). The benchmark (35% R3000, 15% MSCI-ACWI, and 50% BC AGG) does not include convertible bonds, TIPS, MLP pipelines or private real estate; however, the strategic benchmark does.**
- Upon receipt of the hedge fund proceeds on July 31, 2017, \$4.7 million was raised from asset sales and rebalanced in the following manner: \$1.5 million was raised from iShares Russell 1000 Growth, \$550K from iShares Russell Mid-cap, \$550K from Scout mid-cap and \$2.1 million from ETF cash. Four million dollars of the cash raised was invested into Garcia Hamilton Fixed Income and the remaining \$700K was invested into the Schwab U.S. TIPS ETF, which is a passive alternative to the Galliard TIPS.



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Summary (continued)  
September 30, 2017**

**Manager Comments**

- The Vulcan large-cap value product trailed the benchmark for the quarter (+2.7% vs. +3.1%), but was ahead for the one-year period (+20.7% vs. +15.1%).
- The Scout mid-cap core product was well ahead of the benchmark for the quarter (+6.1% vs. +3.5%), one-year (+25.6% vs. +15.3%) and three-year period (+13.2% vs. +9.5%), ranking in the top 4th, 1st and 19th percentiles, respectively.
- MLPs had another volatile quarter, with Westwood MLP returning -1.6% compared with the benchmark's result of -3.0%. The product also outperformed the benchmark for the one-year (-0.3% vs. -3.7%) and three-year period (-11.7% vs. -12.9%). The allocation to this asset class remains below the target (4.3% vs. 5.0%).
- Advent convertible bonds outperformed the benchmark for the quarter (+3.9% vs. +3.7%), while SSI's results trailed (+3.3% vs. +3.7%). Together the two products earned an average of +7.0% and +9.9% per year for the three and five-year periods, respectively.
- Fisher's international product exceeded its benchmark for the quarter and one-year period (+7.6% vs. +6.3% and +24.2% vs. +20.2%), ranking in the top 33rd and 28th percentiles, respectively.
- EuroPacific Growth beat its benchmark for the quarter (+6.9% vs. +6.3%), ranking in the top 41st percentile.
- Baring's private real estate program achieved the benchmark for the quarter (+2.5% vs. +1.9%) and one-year period (+8.3% vs. +7.7%).
- Galliard TIPS results for all periods were in line with the benchmark.
- The Intercontinental Hedge Fund made a capital distribution of \$1,714,587 on 7/31/17. The required 10% audit holdback amount held in cash by Intercontinental will be wired after completion of the Fund's 2017 audit.



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Policy Review  
September 30, 2017**

	<u>Yes</u>	<u>No</u>
Total Fund performance achieved the 35/15/50 Benchmark over the three-year rolling period (+5.9% vs. +6.0%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Total Fund performance ranked in the top 50th percentile over the three-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Total Fund performance (gross) achieved the actuarial assumed rate of return (+8.0%) for the rolling three-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Total Fund performance achieved the 35/15/50 Benchmark over the five-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Total Fund performance ranked in the top 50th percentile over the five-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Total Fund performance (gross) achieved the actuarial assumed rate of return (+8.0%) for the rolling five-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vulcan Large Cap Value avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Scout Mid Cap Core performance achieved the Russell Midcap index over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Scout Mid Cap Core performance ranked in the top 50th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Scout Mid Cap Core avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Westwood MLP performance achieved the Alerian MLP over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Westwood MLP performance ranked in the top 50th percentile over the three-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Westwood MLP avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Advent convertibles performance achieved the ML AQ Convertible x144A over the three-year rolling period (+6.5% vs. +6.9%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Advent convertibles performance ranked in the top 50th percentile over the three-year period (Actual: 54th).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Advent convertibles performance achieved the ML AQ Convertible x144A over the five-year rolling period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Advent convertibles performance ranked in the top 50th percentile over the five-year period (Actual: 53rd).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Advent convertibles avoided four consecutive quarters below the 50th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SSI convertibles performance achieved the ML AQ Convertible x144A over the three-year rolling period (+6.8% vs. +6.9%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SSI convertibles performance ranked in the top 50th percentile over the three-year period	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SSI convertibles performance achieved the ML AQ Convertible x144A over the five-year rolling period (+10.2% vs. +11.0%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SSI convertibles performance ranked in the top 50th percentile over the five-year period	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SSI convertibles avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>





**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Policy Review (continued)  
September 30, 2017**

	<u>Yes</u>	<u>No</u>
EuroPacific Growth avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international performance achieved the MCSI ACWI ex US over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international performance ranked in the top 50th percentile over the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international performance achieved the MCSI ACWI ex US over the five-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international performance ranked in the top 50th percentile over the five-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fisher international avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Barings private real estate performance achieved the NCREIF ODCE over the three-year rolling period (+10.6% vs. +10.8%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Barings private real estate performance achieved the NCREIF ODCE over the five-year rolling period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Galliard TIPS performance achieved the Barclays 1-10 Yr TIPS Benchmark over the three-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Galliard TIPS performance achieved the Barclays 1-10 Yr TIPS Benchmark over the five-year rolling period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Galliard TIPS avoided four consecutive quarters below the 50th percentile ranking.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PFIA compliant.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Domestic equity managers may only invest in ADR foreign securities based on the limitations of the IPS and addendums.	<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: Investment in securities of a single corporate issuer shall not exceed the limitations of the IPS and addendums.	<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 market.	<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 rated at or above "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"/>

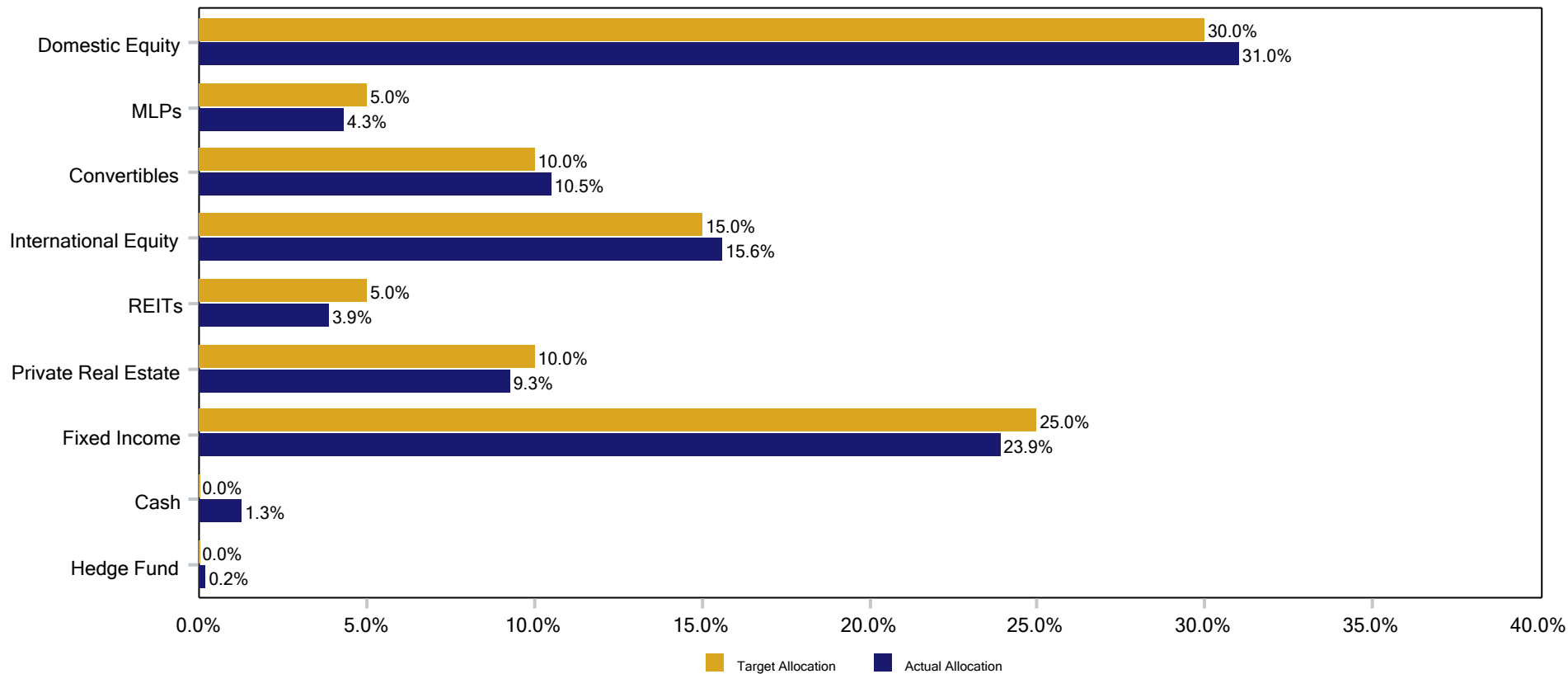


Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Investment Performance  
September 30, 2017

	<u>Quarter</u>	<u>One Year</u>	<u>Three Years</u>	<u>Four Years</u>	<u>Five Years</u>
Beginning Market Value	98,618,567	89,589,793	83,509,632	72,587,792	58,943,191
Contributions	787,617	2,251,572	3,400,870	6,563,757	13,378,172
Gain/Loss	2,900,955	10,465,774	15,396,636	23,155,590	29,985,775
Ending Market Value	102,307,138	102,307,138	102,307,138	102,307,138	102,307,138
<b>Total Fund</b>	<b>2.9</b>	<b>11.2</b>	<b>5.2</b>	<b>6.5</b>	<b>7.3</b>
<b>35/15/50 Benchmark</b>	<b>3.0</b>	<b>9.3</b>	<b>6.0</b>	<b>6.7</b>	<b>7.2</b>



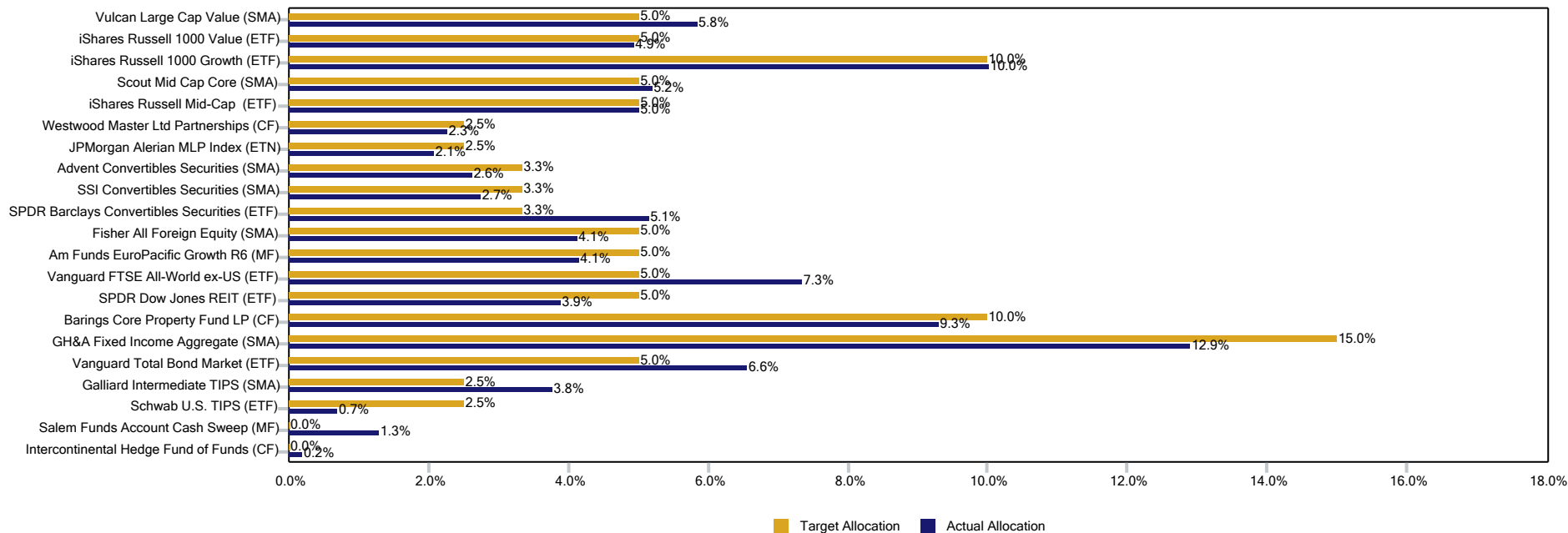
**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Actual vs. Target Asset Allocation  
September 30, 2017**



	Market Value Actual \$	Percent Actual	Percent Target	Percent Difference
Total Fund	102,307,138	100.0	100.0	0.0
Domestic Equity	31,718,450	31.0	30.0	1.0
MLPs	4,431,202	4.3	5.0	-0.7
Convertibles	10,741,833	10.5	10.0	0.5
International Equity	15,949,107	15.6	15.0	0.6
REITs	3,973,952	3.9	5.0	-1.1
Private Real Estate	9,512,518	9.3	10.0	-0.7
Fixed Income	24,469,396	23.9	25.0	-1.1
Cash	1,320,170	1.3	0.0	1.3
Hedge Fund	190,510	0.2	0.0	0.2



**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Actual vs. Target Asset Allocation  
September 30, 2017**

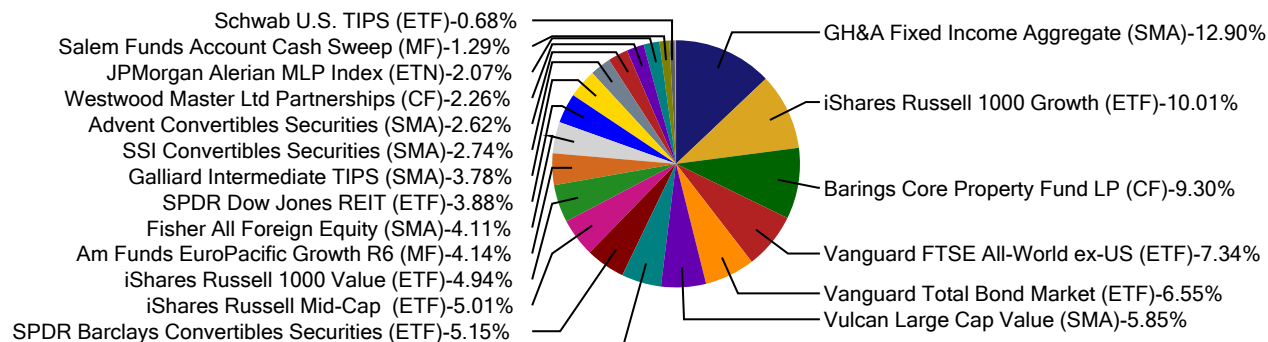


	Market Value Actual \$	Percent Actual	Percent Target	Percent Difference
Total Fund	102,307,138	100.0	100.0	0.0
Vulcan Large Cap Value (SMA)	5,984,621	5.8	5.0	0.8
iShares Russell 1000 Value (ETF)	5,054,926	4.9	5.0	-0.1
iShares Russell 1000 Growth (ETF)	10,237,412	10.0	10.0	0.0
Scout Mid Cap Core (SMA)	5,319,141	5.2	5.0	0.2
iShares Russell Mid-Cap (ETF)	5,122,351	5.0	5.0	0.0
Westwood Master Ltd Partnerships (CF)	2,311,174	2.3	2.5	-0.2
JPMorgan Alerian MLP Index (ETN)	2,120,028	2.1	2.5	-0.4
Advent Convertibles Securities (SMA)	2,675,440	2.6	3.3	-0.7
SSI Convertibles Securities (SMA)	2,801,586	2.7	3.3	-0.6
SPDR Barclays Convertibles Securities (ETF)	5,264,806	5.1	3.3	1.8
Fisher All Foreign Equity (SMA)	4,209,915	4.1	5.0	-0.9
Am Funds EuroPacific Growth R6 (MF)	4,233,446	4.1	5.0	-0.9
Vanguard FTSE All-World ex-US (ETF)	7,505,746	7.3	5.0	2.3
SPDR Dow Jones REIT (ETF)	3,973,952	3.9	5.0	-1.1
Barings Core Property Fund LP (CF)	9,512,518	9.3	10.0	-0.7
GH&A Fixed Income Aggregate (SMA)	13,201,356	12.9	15.0	-2.1
Vanguard Total Bond Market (ETF)	6,705,721	6.6	5.0	1.6
Galliard Intermediate TIPS (SMA)	3,864,606	3.8	2.5	1.3
Schwab U.S. TIPS (ETF)	697,713	0.7	2.5	-1.8
Salem Funds Account Cash Sweep (MF)	1,320,170	1.3	0.0	1.3
Intercontinental Hedge Fund of Funds (CF)	190,510	0.2	0.0	0.2



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

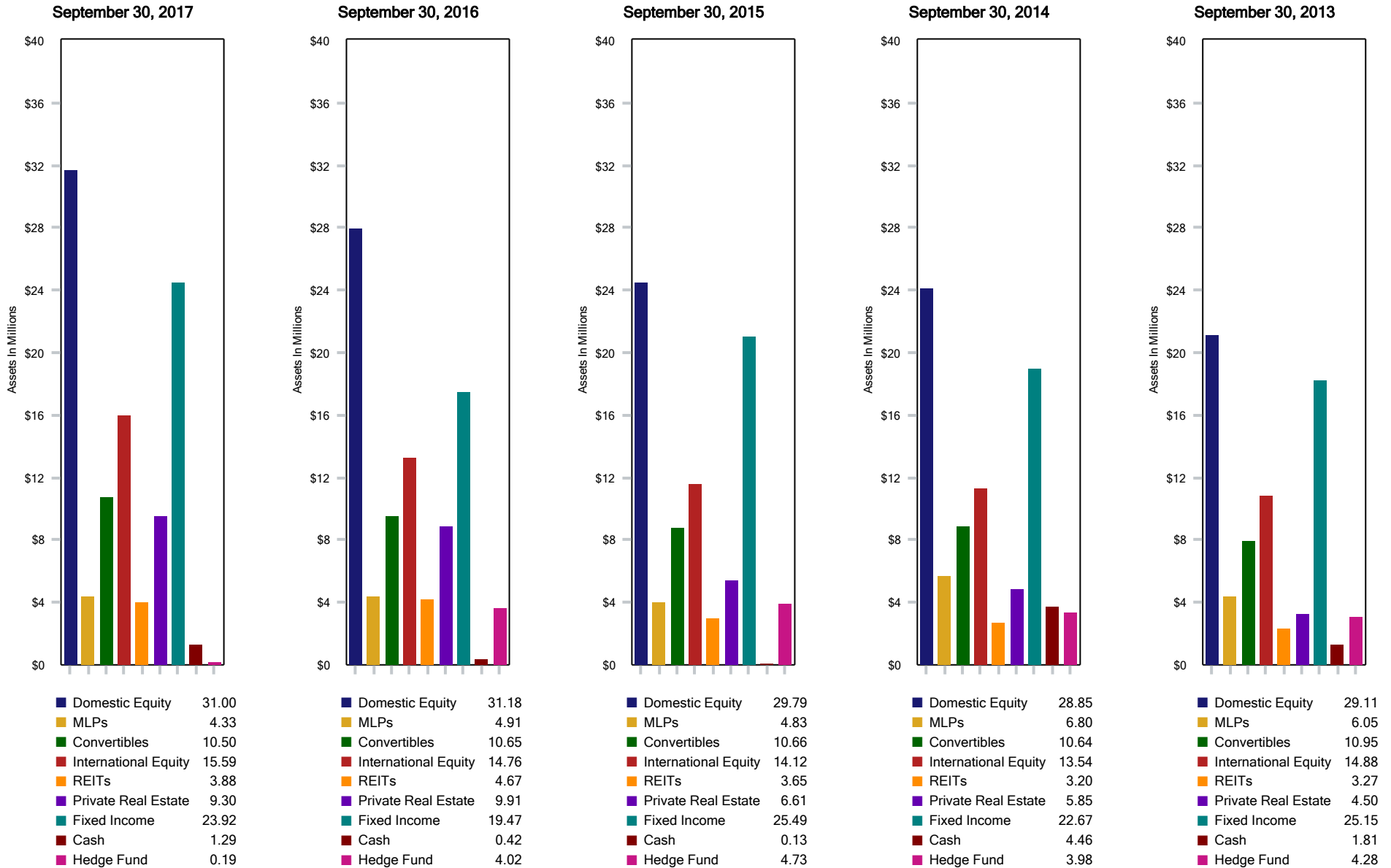
September 30, 2017 : 102,307,138



	<u>Market Value \$</u>	<u>Allocation (%)</u>
GH&A Fixed Income Aggregate (SMA)	13,201,356	12.90
iShares Russell 1000 Growth (ETF)	10,237,412	10.01
Barings Core Property Fund LP (CF)	9,512,518	9.30
Vanguard FTSE All-World ex-US (ETF)	7,505,746	7.34
Vanguard Total Bond Market (ETF)	6,705,721	6.55
Vulcan Large Cap Value (SMA)	5,984,621	5.85
Scout Mid Cap Core (SMA)	5,319,141	5.20
SPDR Barclays Convertibles Securities (ETF)	5,264,806	5.15
iShares Russell Mid-Cap (ETF)	5,122,351	5.01
iShares Russell 1000 Value (ETF)	5,054,926	4.94
Am Funds EuroPacific Growth R6 (MF)	4,233,446	4.14
Fisher All Foreign Equity (SMA)	4,209,915	4.11
SPDR Dow Jones REIT (ETF)	3,973,952	3.88
Galliard Intermediate TIPS (SMA)	3,864,606	3.78
SSI Convertibles Securities (SMA)	2,801,586	2.74
Advent Convertibles Securities (SMA)	2,675,440	2.62
Westwood Master Ltd Partnerships (CF)	2,311,174	2.26
JPMorgan Alerian MLP Index (ETN)	2,120,028	2.07
Salem Funds Account Cash Sweep (MF)	1,320,170	1.29
Schwab U.S. TIPS (ETF)	697,713	0.68
Intercontinental Hedge Fund of Funds (CF)	190,510	0.19



**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Historical Asset Allocation  
September 30, 2017**



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Asset Allocation & Performance**  
**September 30, 2017**

	Market Value	QTD ROR - Rank	1 Year ROR - Rank	3 Year ROR - Rank	4 Year ROR - Rank	5 Year ROR - Rank
<b>Total Fund</b>	<b>102,307,138</b>	<b>3.0 (84)</b>	<b>11.8 (58)</b>	<b>5.9 (84)</b>	<b>7.2 (71)</b>	<b>8.0 (72)</b>
35/15/50 Benchmark		3.0	9.3	6.0	6.7	7.2
Strategic Benchmark		3.0	10.8	6.2	7.5	8.4
<b>Equity</b>	<b>66,814,544</b>	<b>4.1</b>	<b>16.6</b>	<b>6.8</b>	<b>8.7</b>	<b>10.6</b>
<b>Domestic Equity</b>	<b>31,718,450</b>	<b>4.3</b>	<b>21.4</b>	<b>10.5</b>	<b>12.1</b>	<b>13.9</b>
iShares Russell 1000 Value (ETF)	5,054,926	3.0 (74)	N/A	N/A	N/A	N/A
Vulcan Large Cap Value (SMA)	5,984,621	2.7 (87)	20.7 (24)	N/A	N/A	N/A
Russell 1000 Value Index		3.1	15.1	8.5	11.0	13.2
iShares Russell 1000 Growth (ETF)	10,237,412	5.8 (42)	21.7 (30)	12.5 (23)	14.0 (21)	15.1 (24)
Russell 1000 Growth Index		5.9	21.9	12.7	14.3	15.3
iShares Russell Mid-Cap (ETF)	5,122,351	3.5 (52)	N/A	N/A	N/A	N/A
Scout Mid Cap Core (SMA)	5,319,141	6.1 (4)	25.6 (1)	13.2 (19)	N/A	N/A
Russell Midcap Index		3.5	15.3	9.5	11.1	14.3
MSCI US Mid Cap 450 Index		3.8	15.9	10.3	11.7	14.9
<b>MLPs</b>	<b>4,431,202</b>	<b>-2.3</b>	<b>-1.4</b>	<b>-12.0</b>	<b>-2.9</b>	<b>N/A</b>
JPMorgan Alerian MLP Index (ETN)	2,120,028	-3.4 (95)	N/A	N/A	N/A	N/A
Westwood Master Ltd Partnerships (CF)	2,311,174	-1.6 (77)	-0.3 (45)	-11.7 (73)	-2.6 (61)	N/A
Alerian MLP Index		-3.0	-3.7	-12.9	-4.5	-0.6
<b>Convertibles</b>	<b>10,741,833</b>	<b>3.7</b>	<b>13.8</b>	<b>7.0</b>	<b>8.1</b>	<b>9.9</b>
Advent Convertibles Securities (SMA)	2,675,440	3.9 (25)	13.2 (21)	6.5 (54)	7.0 (54)	9.1 (53)
SPDR Barclays Convertibles Securities (ETF)	5,264,806	3.8 (49)	N/A	N/A	N/A	N/A
SSI Convertibles Securities (SMA)	2,801,586	3.3 (33)	12.5 (36)	6.8 (41)	8.8 (21)	10.2 (37)
BofA Merrill Lynch All Conv Ex. 144A All Qual Index		3.7	14.5	6.9	8.8	11.0
<b>International Equity</b>	<b>15,949,107</b>	<b>6.7</b>	<b>20.4</b>	<b>7.4</b>	<b>6.7</b>	<b>9.1</b>
Am Funds EuroPacific Growth R6 (MF)	4,233,446	6.9 (41)	20.6 (39)	N/A	N/A	N/A



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Asset Allocation & Performance**  
**September 30, 2017**

	Market Value	QTD ROR - Rank	1 Year ROR - Rank	3 Year ROR - Rank	4 Year ROR - Rank	5 Year ROR - Rank
Vanguard FTSE All-World ex-US (ETF)	7,505,746	6.0 (55)	N/A	N/A	N/A	N/A
Fisher All Foreign Equity (SMA)	4,209,915	7.6 (33)	24.2 (28)	8.5 (32)	7.5 (38)	9.8 (41)
MSCI AC World ex USA		6.3	20.2	5.2	5.2	7.5
<b>REITs</b>	<b>3,973,952</b>	<b>0.4</b>	<b>-0.9</b>	<b>9.5</b>	<b>10.5</b>	<b>9.2</b>
SPDR Dow Jones REIT (ETF)	3,973,952	0.3 (70)	-1.1 (71)	N/A	N/A	N/A
Wilshire U.S. REIT Index		0.6	0.1	9.7	10.6	9.5
<b>Private Real Estate</b>	<b>9,512,518</b>	<b>2.5</b>	<b>8.3</b>	<b>10.6</b>	<b>10.5</b>	<b>10.5</b>
Barings Core Property Fund LP (CF)	9,512,518	2.5	8.3	10.6	10.5	10.5
NCREIF Fund Index-ODCE (VW)		1.9	7.7	10.8	11.2	11.6
<b>Fixed Income</b>	<b>24,469,396</b>	<b>0.4</b>	<b>-0.4</b>	<b>2.8</b>	<b>3.1</b>	<b>2.0</b>
GH&A Fixed Income Aggregate (SMA)	13,201,356	N/A	N/A	N/A	N/A	N/A
Vanguard Total Bond Market (ETF)	6,705,721	0.7 (73)	N/A	N/A	N/A	N/A
Bloomberg Barclays U.S. Aggregate Index		0.8	0.1	2.7	3.0	2.1
Galliard Intermediate TIPS (SMA)	3,864,606	0.7 (89)	-0.1 (34)	1.3 (79)	1.2 (81)	0.1 (42)
Schwab U.S. TIPS (ETF)	697,713	N/A	N/A	N/A	N/A	N/A
Blmbg. Barc. U.S. TIPS 1-10 Year		0.7	-0.1	1.3	1.1	0.1
<b>Cash</b>	<b>1,320,170</b>	<b>0.2</b>	<b>0.6</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
Salem Funds Account Cash Sweep (MF)	1,320,170	0.2	0.6	0.3	0.2	0.2
BofA Merrill Lynch 3 Month U.S. T-Bill		0.3	0.7	0.3	0.2	0.2
<b>Hedge Fund</b>	<b>190,510</b>	<b>0.0</b>	<b>6.6</b>	<b>-2.1</b>	<b>0.5</b>	<b>2.6</b>
Intercontinental Hedge Fund of Funds (CF)	190,510	0.0	6.6	-2.1	0.5	2.6
Barclay Hedge Fund Index		2.8	9.1	4.6	5.1	6.0

**1 Benchmark from inception:** 35% Russell 3000 + 15% MSCI ACWI ex US + 50% BC Aggregate.

**2 Strategic Benchmark:** 10% Russell 1000G + 10% Russell 1000V + 10% MSCI Mid Cap 450 + 5% Alerian MLP + 10% ML Conv + 15% MSCI ACWI + 5% Wilshire REIT + 10% NCREIF ODCE + 20% Barclays Agg +5 % Barclays TIPS 1-10 Yr



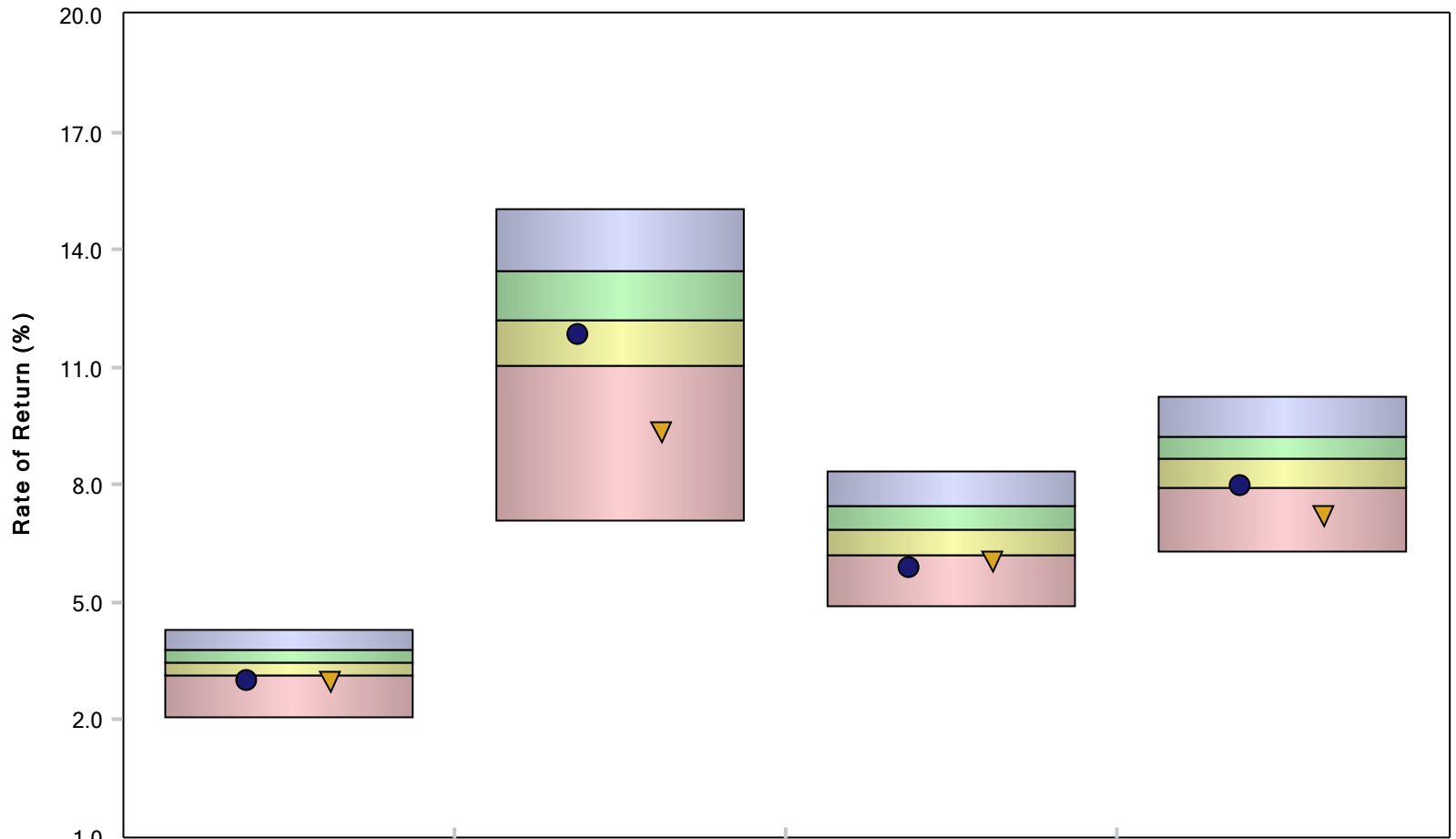


**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
 Manager Quartile Rankings  
 September 30, 2017**

	Quarter Ending Sep-2017 ROR - Rank	Quarter Ending Jun-2017 ROR - Rank	Quarter Ending Mar-2017 ROR - Rank	Quarter Ending Dec-2016 ROR - Rank
Vulcan Large Cap Value (SMA)	2.7 (87)	3.0 (25)	8.8 (1)	4.8 (70)
Scout Mid Cap Core (SMA)	6.1 (4)	4.1 (21)	5.5 (30)	7.8 (23)
Westwood Master Ltd Partnerships (CF)	-1.6 (77)	-6.3 (49)	4.3 (17)	3.7 (34)
Advent Convertibles Securities (SMA)	3.9 (25)	2.2 (69)	5.4 (14)	1.2 (39)
SSI Convertibles Securities (SMA)	3.3 (33)	2.8 (37)	5.2 (27)	0.8 (56)
Am Funds EuroPacific Growth R6 (MF)	6.9 (41)	7.7 (28)	9.4 (43)	-4.2 (55)
Fisher All Foreign Equity (SMA)	7.6 (33)	8.8 (18)	8.2 (59)	-1.9 (40)
GH&A Fixed Income Aggregate (SMA)	N/A	N/A	N/A	N/A
Galliard Intermediate TIPS (SMA)	0.7 (89)	-0.4 (89)	1.1 (83)	-1.5 (16)



**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Peer Universe Quartile Ranking  
September 30, 2017**

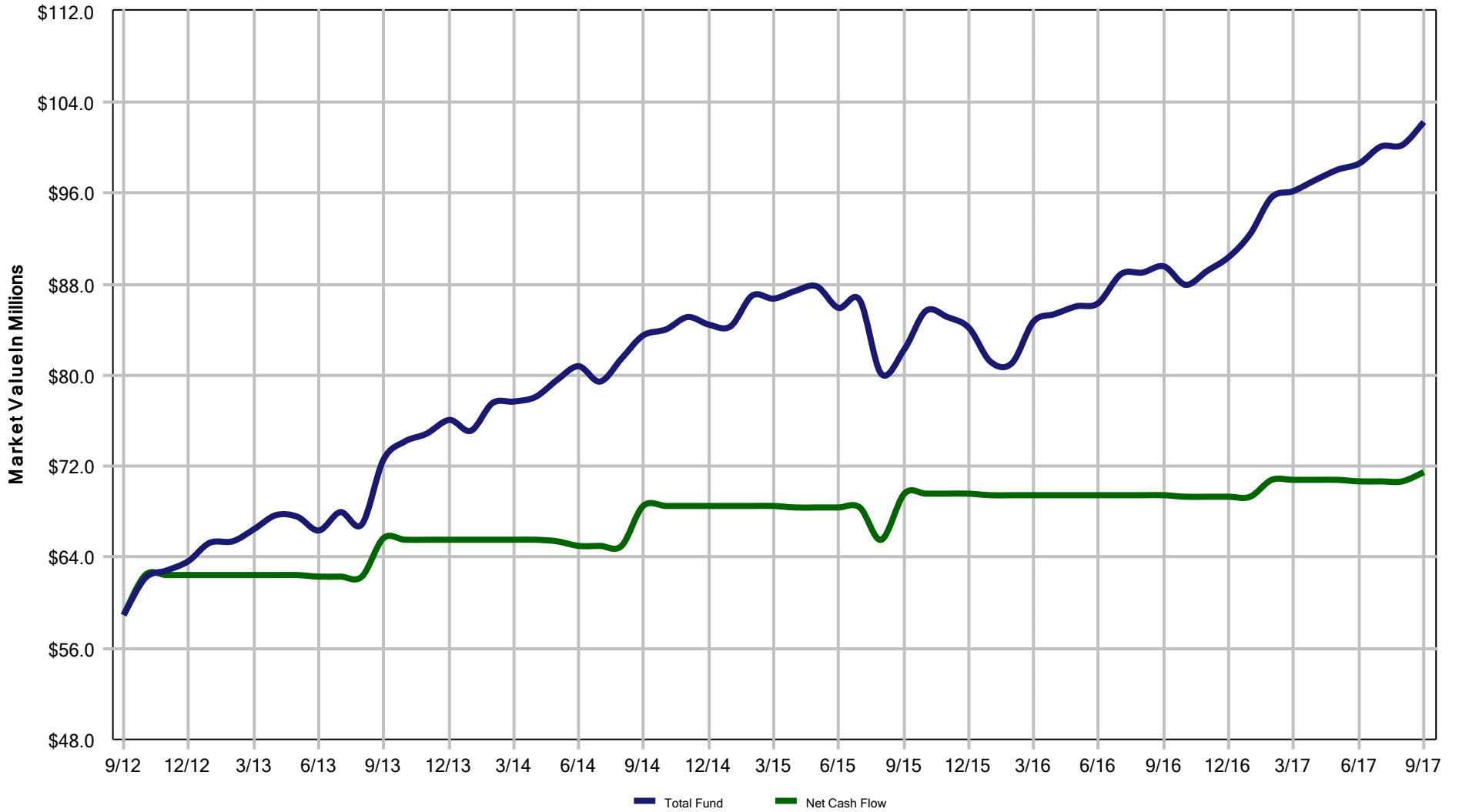


	<u>Quarter</u>	<u>One Year</u>	<u>Three Years</u>	<u>Five Years</u>
● Total Fund	3.0 (84)	11.8 (58)	5.9 (84)	8.0 (72)
▼ 35/15/50 Benchmark	3.0 (86)	9.3 (91)	6.0 (80)	7.2 (89)
5th Percentile	4.3	15.0	8.3	10.2
1st Quartile	3.8	13.4	7.4	9.2
Median	3.4	12.2	6.8	8.7
3rd Quartile	3.1	11.0	6.2	7.9
95th Percentile	2.1	7.1	4.9	6.3

Parentheses contain percentile rankings.  
Calculation based on monthly data.



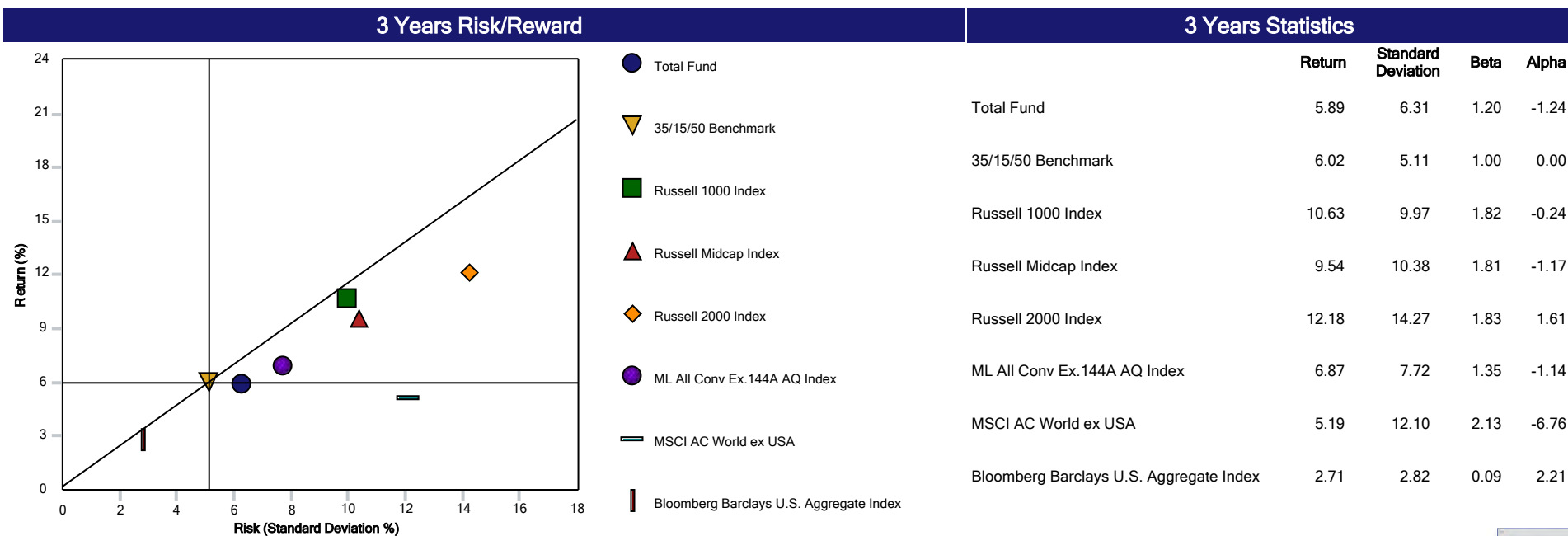
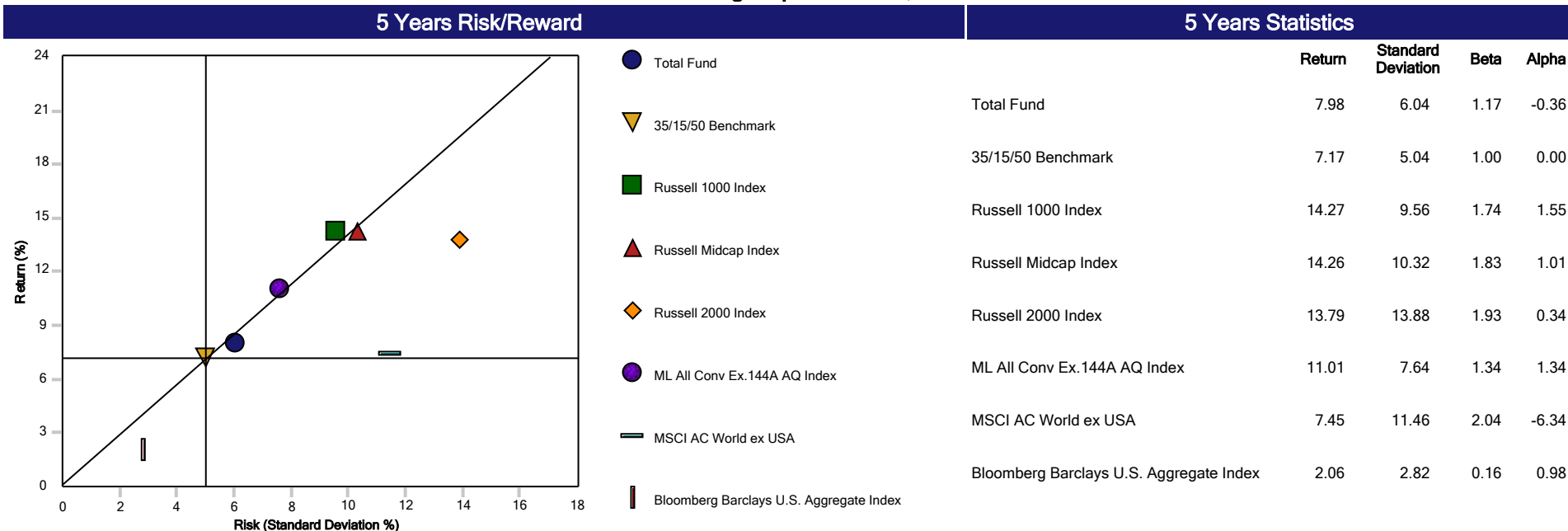
**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Growth of Investments  
October 1, 2012 Through September 30, 2017**



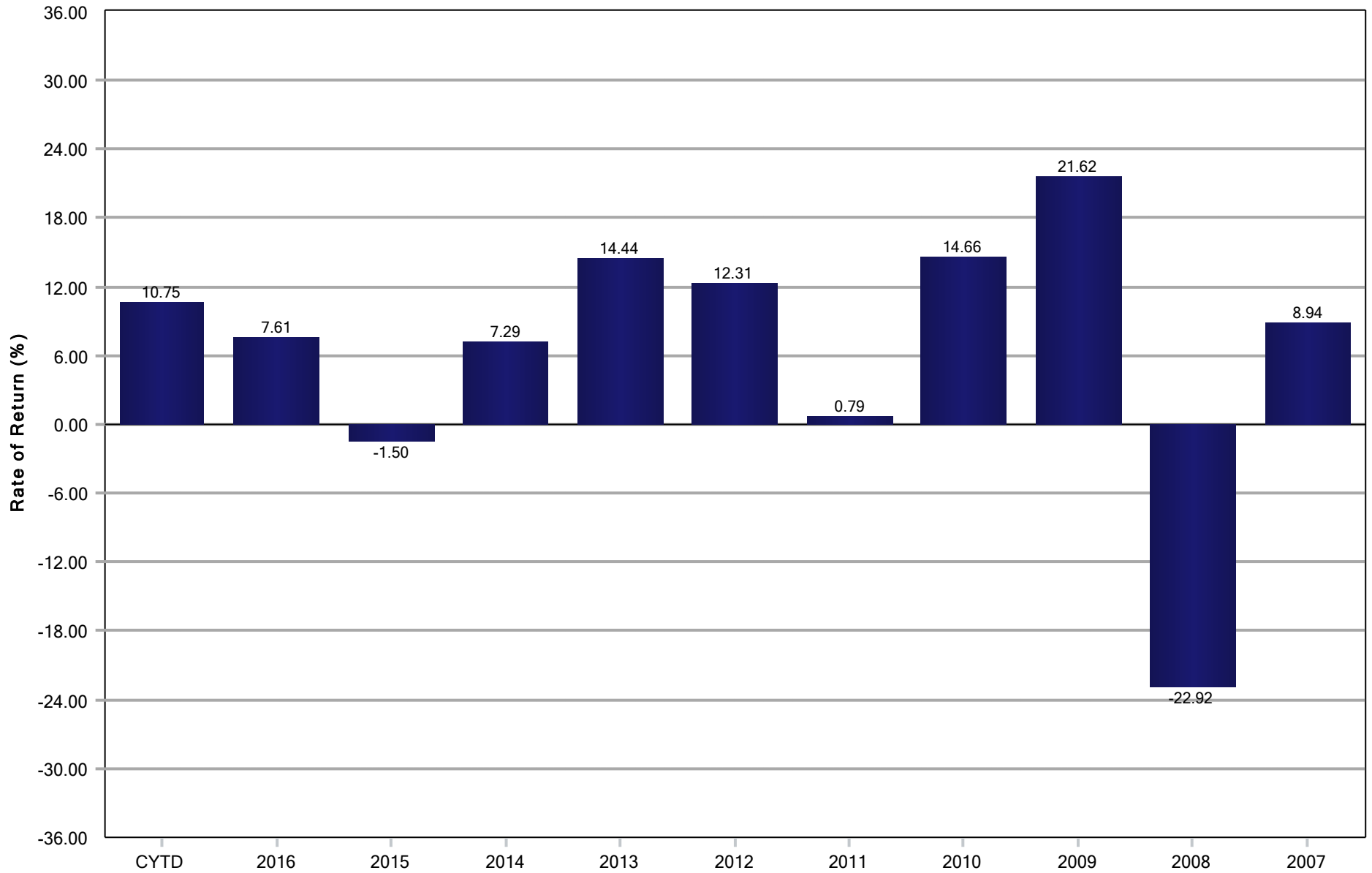
<u>Beginning MV</u>	<u>Ending MV</u>	<u>Annualized ROR</u>
\$58,943,191	\$102,307,138	8.0



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Capital Market Line**  
**Period Ending September 30, 2017**

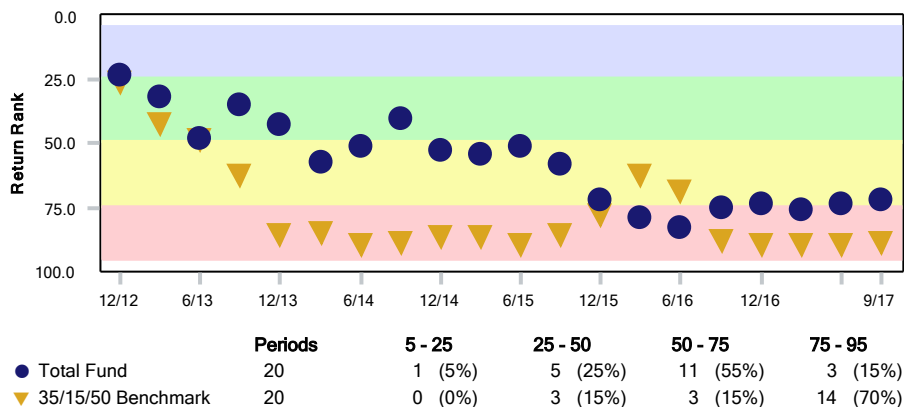


Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Calendar Year Rates of Return  
September 30, 2017



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Total Fund**  
**September 30, 2017**

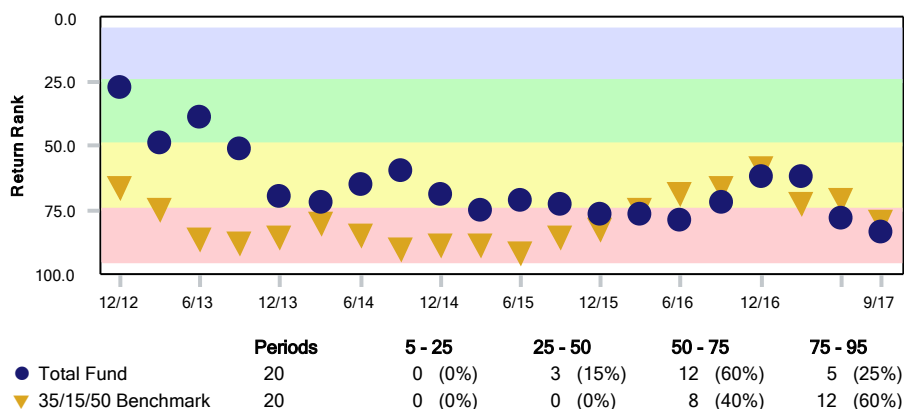
**5 Years Rolling Percentile Ranking - 5 Years**



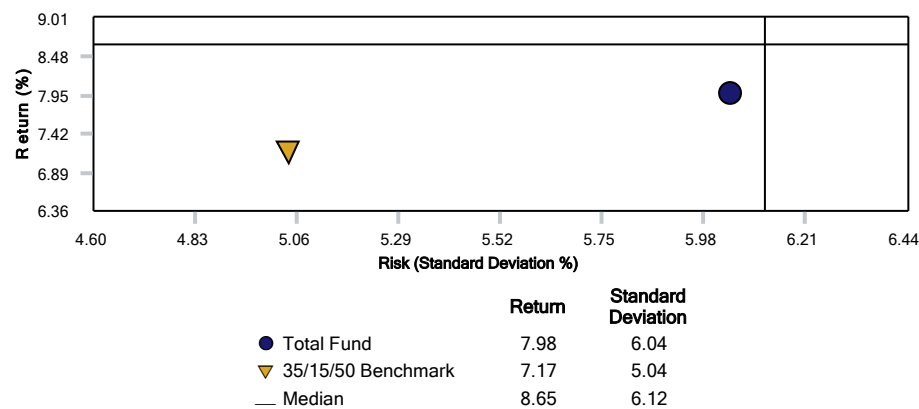
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
<b>Total Fund</b>	<b>7.98</b>	<b>6.04</b>	<b>-0.36</b>	<b>1.17</b>	<b>1.27</b>	<b>124.45</b>	<b>116.26</b>
<i>35/15/50 Benchmark</i>	<i>7.17</i>	<i>5.04</i>	<i>0.00</i>	<i>1.00</i>	<i>1.37</i>	<i>100.00</i>	<i>100.00</i>

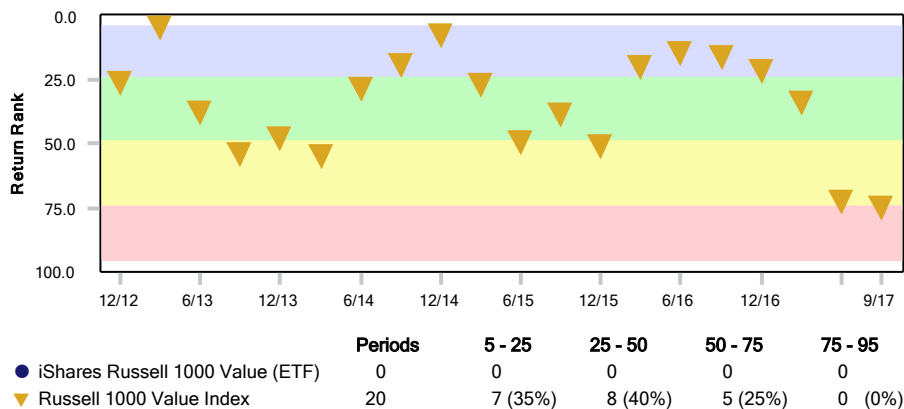
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
<b>Total Fund</b>	<b>5.89</b>	<b>6.31</b>	<b>-1.24</b>	<b>1.20</b>	<b>0.90</b>	<b>138.00</b>	<b>114.80</b>
<i>35/15/50 Benchmark</i>	<i>6.02</i>	<i>5.11</i>	<i>0.00</i>	<i>1.00</i>	<i>1.12</i>	<i>100.00</i>	<i>100.00</i>

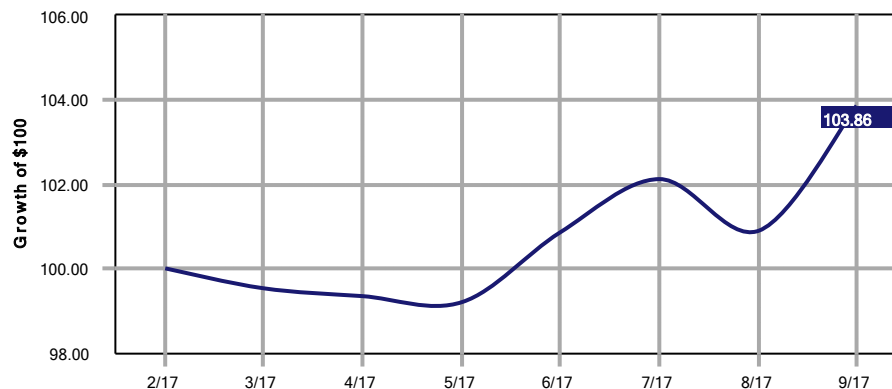


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**iShares Russell 1000 Value (ETF)**  
**September 30, 2017**

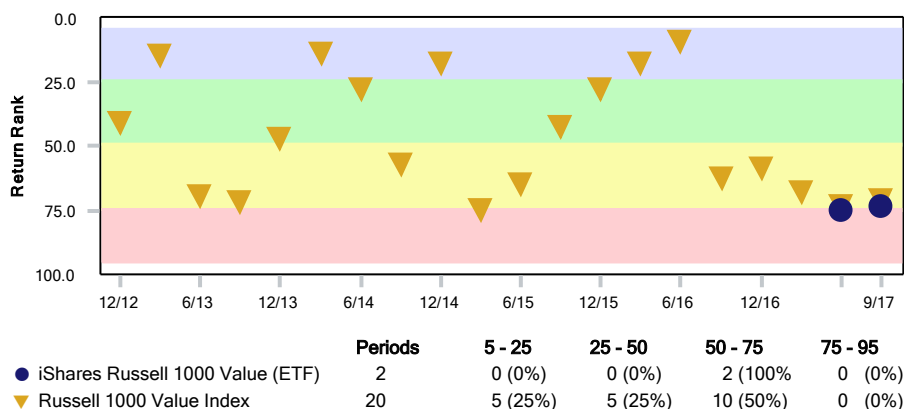
**1 Year Rolling Percentile Ranking - 5 Years**



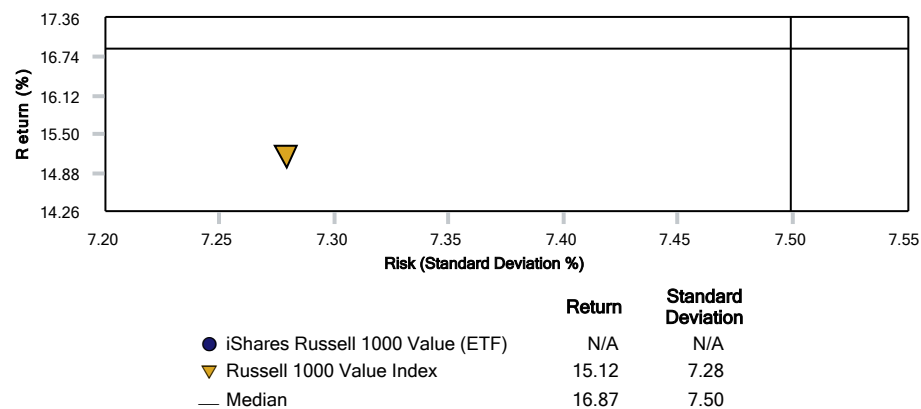
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
iShares Russell 1000 Value (ETF)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 1000 Value Index</i>	<i>15.12</i>	<i>7.28</i>	<i>0.00</i>	<i>1.00</i>	<i>1.89</i>	<i>100.00</i>	<i>100.00</i>

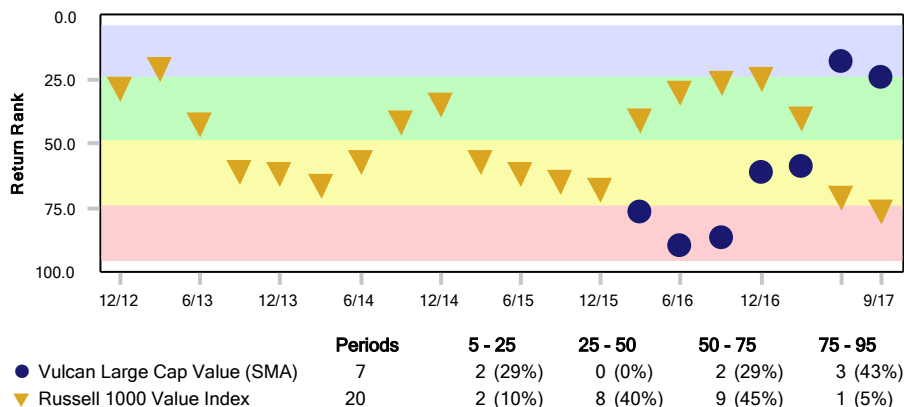
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
iShares Russell 1000 Value (ETF)	2.99	1.70	-0.04	1.00	0.54	103.29	97.96
<i>Russell 1000 Value Index</i>	<i>3.11</i>	<i>1.70</i>	<i>0.00</i>	<i>1.00</i>	<i>0.56</i>	<i>100.00</i>	<i>100.00</i>

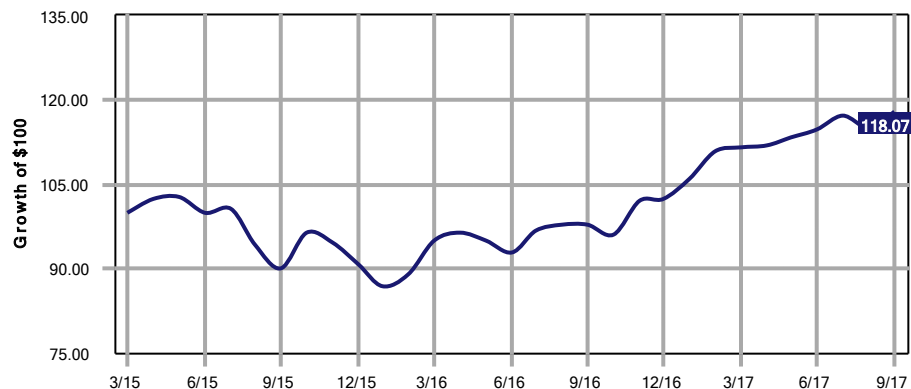


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Vulcan Large Cap Value (SMA)**  
**September 30, 2017**

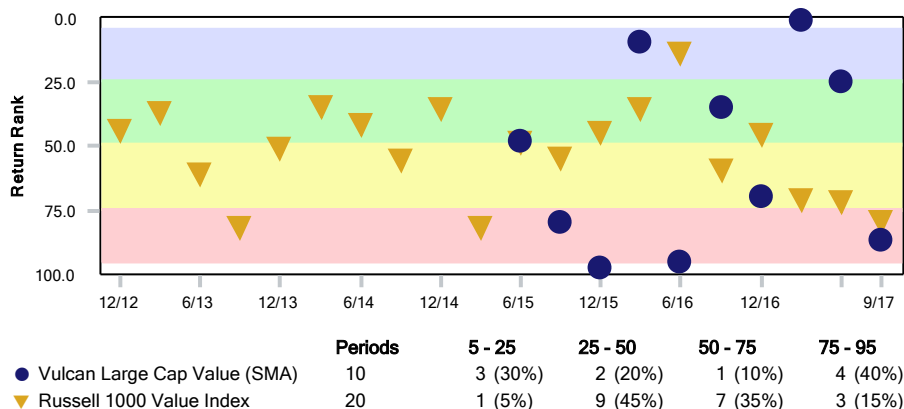
**1 Year Rolling Percentile Ranking - 5 Years**



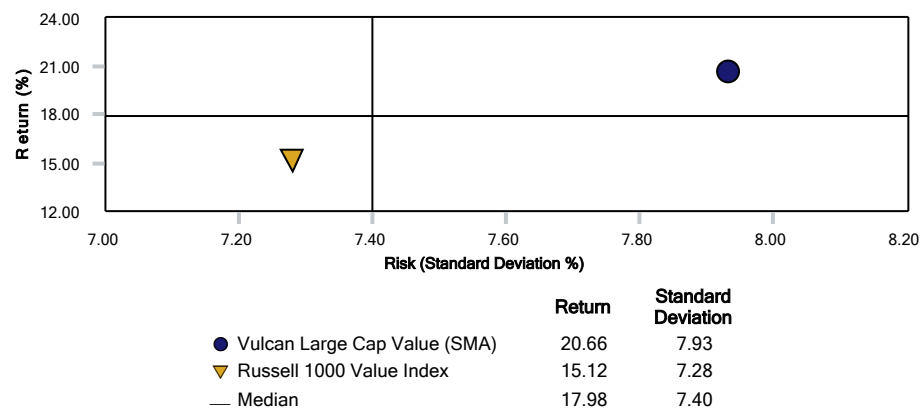
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vulcan Large Cap Value (SMA)	20.66	7.93	6.05	0.93	2.34	35.80	112.12
Russell 1000 Value Index	15.12	7.28	0.00	1.00	1.89	100.00	100.00

**Historical Statistics - 1 Quarter**

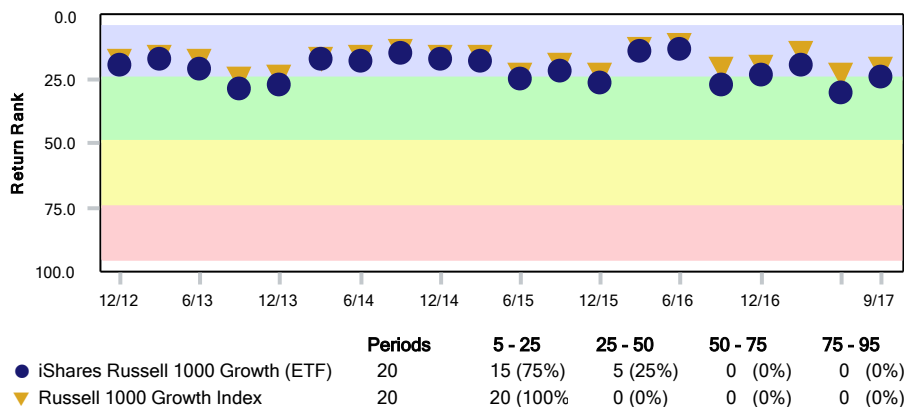
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vulcan Large Cap Value (SMA)	2.69	1.91	-0.19	1.05	0.43	154.42	105.23
Russell 1000 Value Index	3.11	1.70	0.00	1.00	0.56	100.00	100.00





**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**iShares Russell 1000 Growth (ETF)**  
**September 30, 2017**

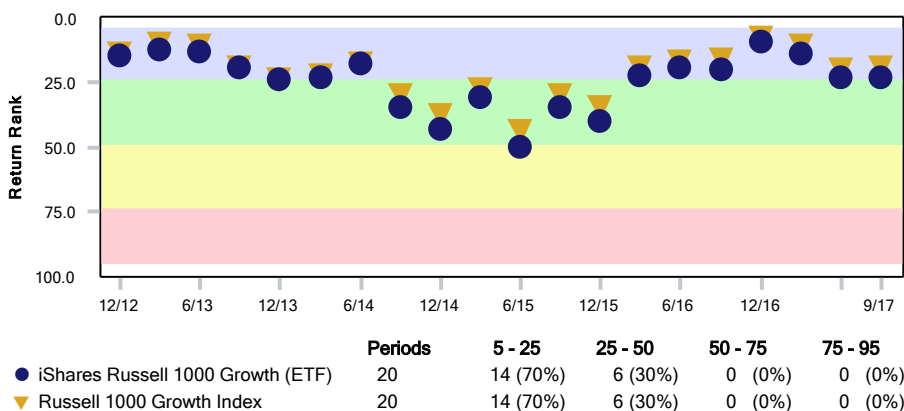
**5 Years Rolling Percentile Ranking - 5 Years**



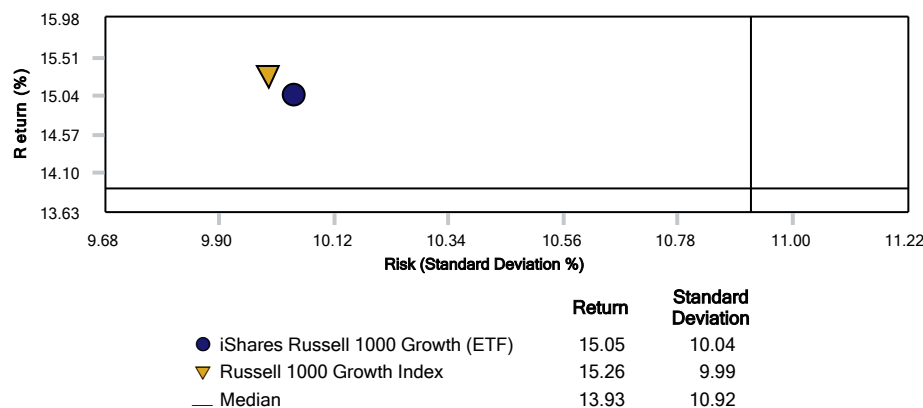
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
iShares Russell 1000 Growth (ETF)	15.05	10.04	-0.24	1.00	1.44	101.45	99.73
<i>Russell 1000 Growth Index</i>	<i>15.26</i>	<i>9.99</i>	<i>0.00</i>	<i>1.00</i>	<i>1.46</i>	<i>100.00</i>	<i>100.00</i>

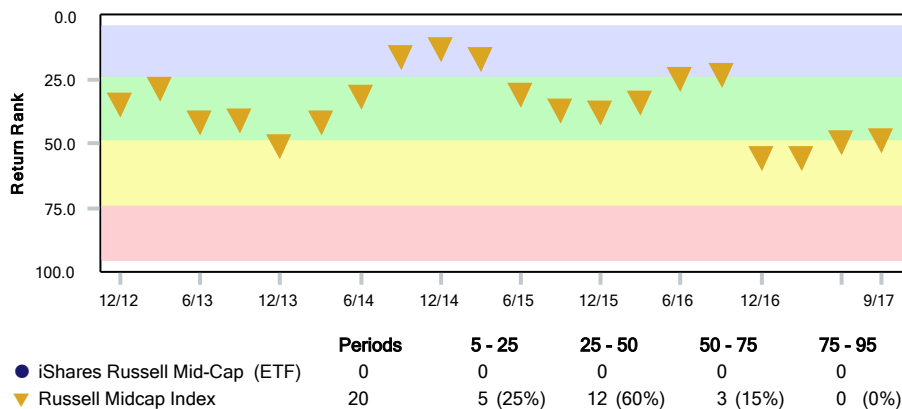
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
iShares Russell 1000 Growth (ETF)	12.49	10.58	-0.23	1.00	1.14	101.33	99.68
<i>Russell 1000 Growth Index</i>	<i>12.69</i>	<i>10.53</i>	<i>0.00</i>	<i>1.00</i>	<i>1.17</i>	<i>100.00</i>	<i>100.00</i>

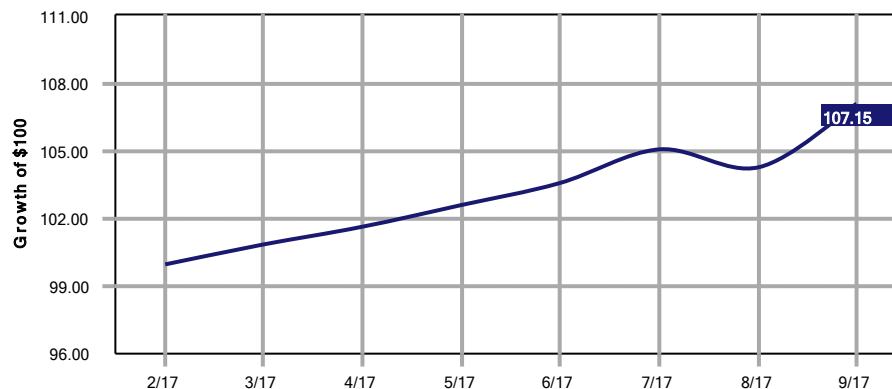


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**iShares Russell Mid-Cap (ETF)**  
**September 30, 2017**

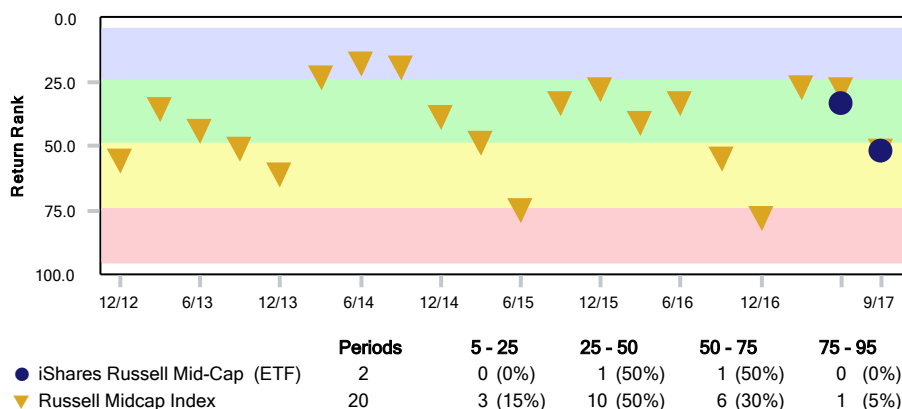
**1 Year Rolling Percentile Ranking - 5 Years**



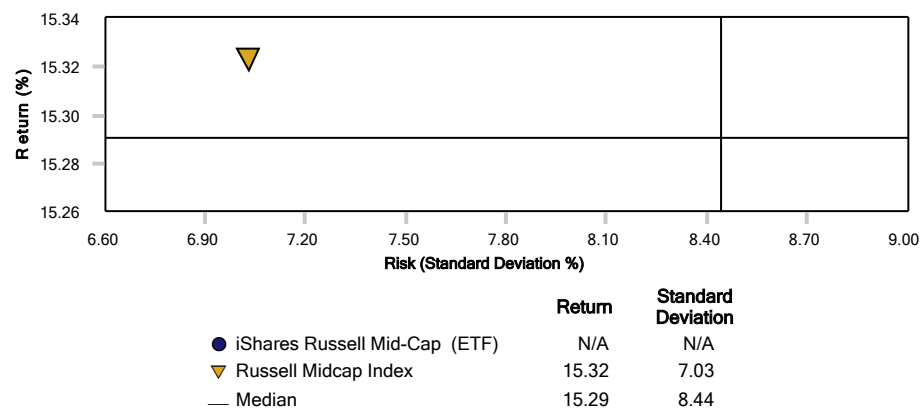
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
iShares Russell Mid-Cap (ETF)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Russell Midcap Index	15.32	7.03	0.00	1.00	1.98	100.00	100.00

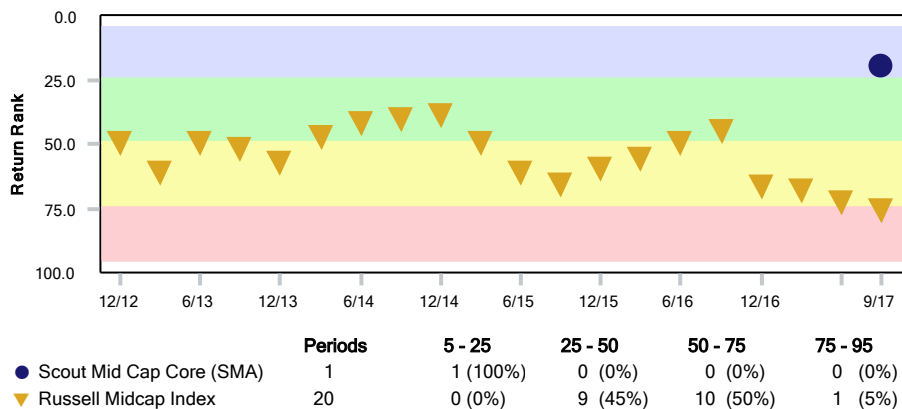
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
iShares Russell Mid-Cap (ETF)	3.48	1.46	0.00	1.00	0.73	100.80	100.23
Russell Midcap Index	3.47	1.47	0.00	1.00	0.73	100.00	100.00

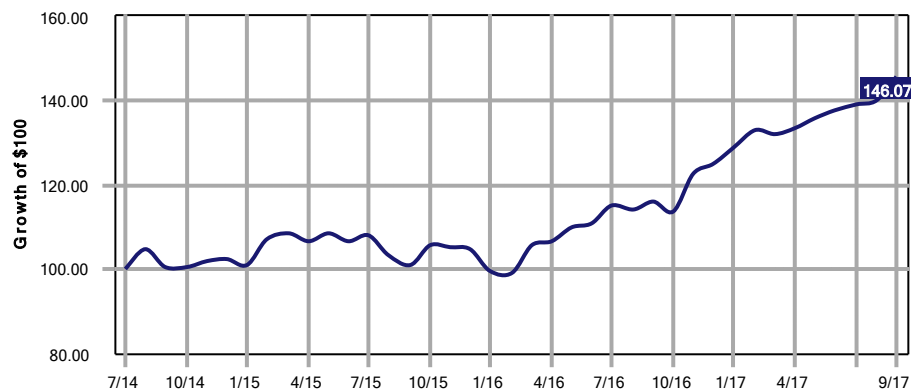


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Scout Mid Cap Core (SMA)**  
**September 30, 2017**

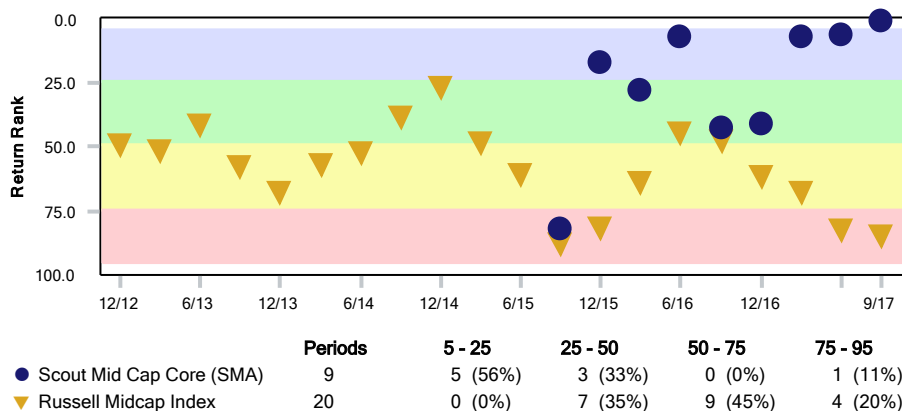
**3 Years Rolling Percentile Ranking - 5 Years**



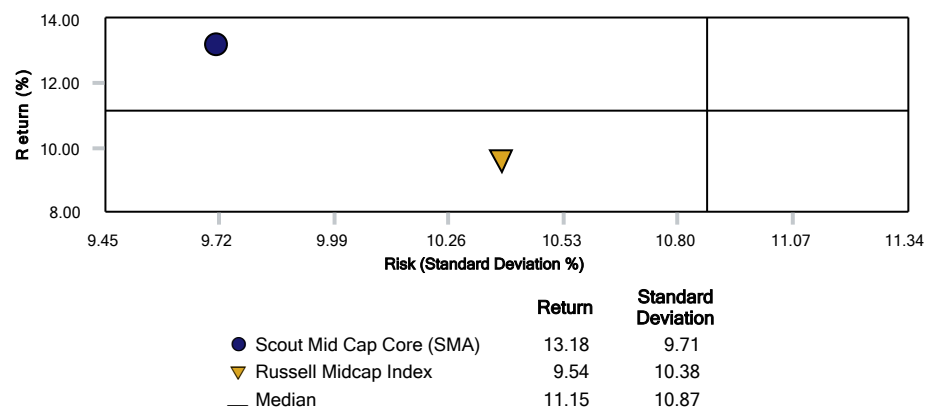
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Scout Mid Cap Core (SMA)	13.18	9.71	4.67	0.86	1.30	75.70	105.59
Russell Midcap Index	9.54	10.38	0.00	1.00	0.91	100.00	100.00

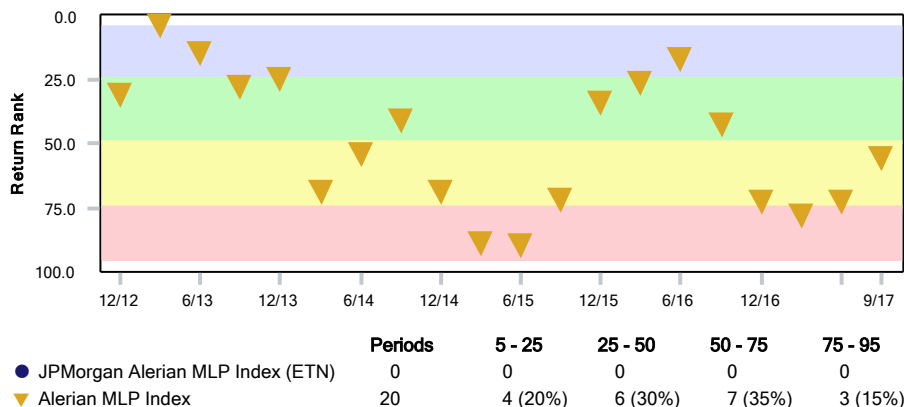
**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Scout Mid Cap Core (SMA)	25.61	8.57	6.57	1.16	2.65	57.56	137.67
Russell Midcap Index	15.32	7.03	0.00	1.00	1.98	100.00	100.00

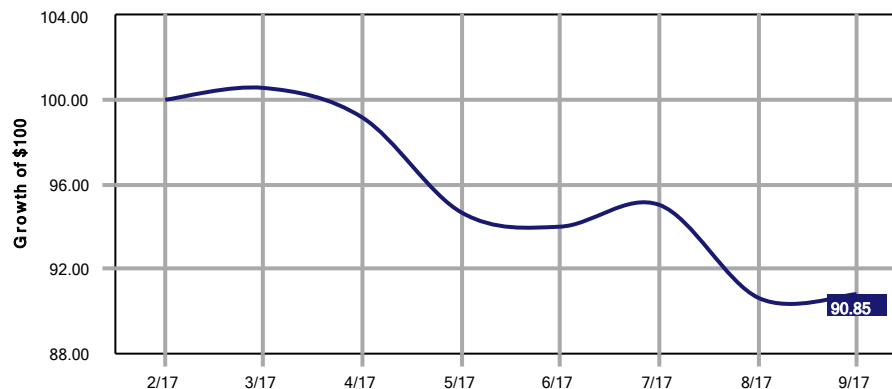


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**JPMorgan Alerian MLP Index (ETN)**  
**September 30, 2017**

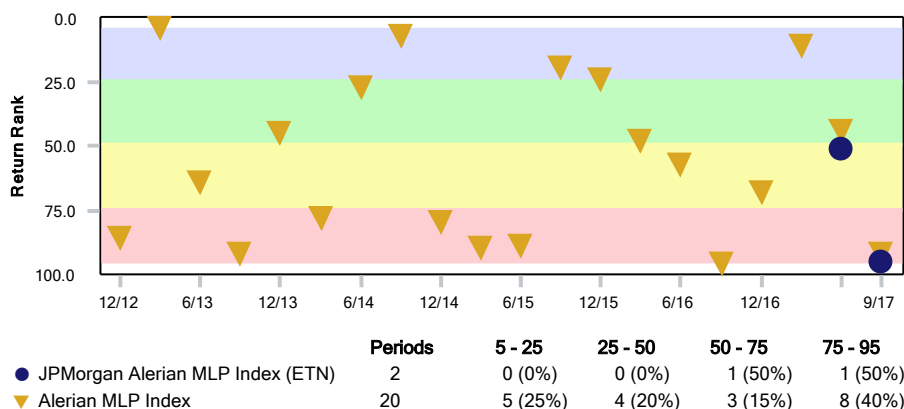
**1 Year Rolling Percentile Ranking - 5 Years**



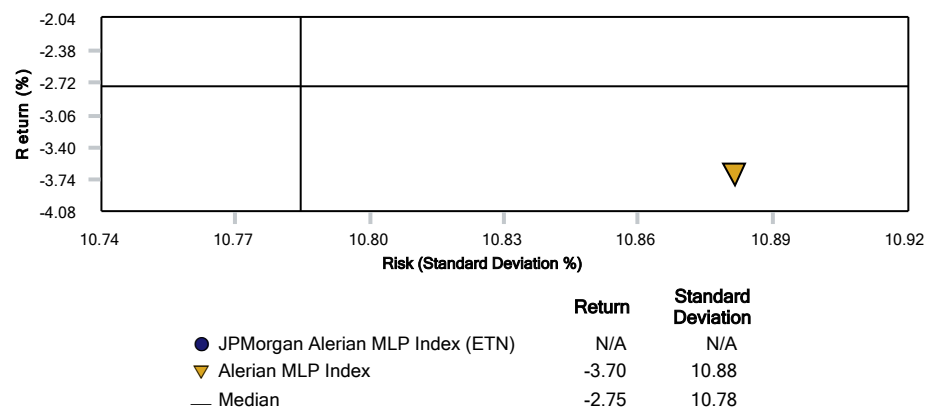
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
JPMorgan Alerian MLP Index (ETN)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alerian MLP Index	-3.70	10.88	0.00	1.00	-0.35	100.00	100.00

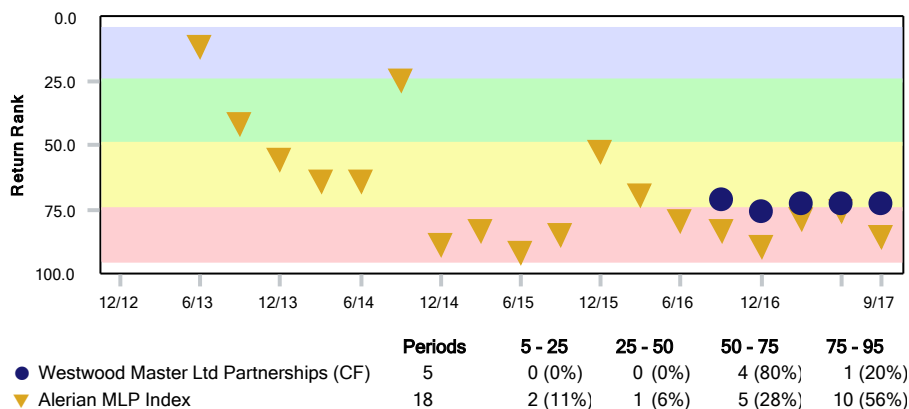
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
JPMorgan Alerian MLP Index (ETN)	-3.35	2.54	-0.21	0.90	-0.47	94.05	68.34
Alerian MLP Index	-3.05	2.81	0.00	1.00	-0.38	100.00	100.00



**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Westwood Master Ltd Partnerships (CF)  
September 30, 2017**

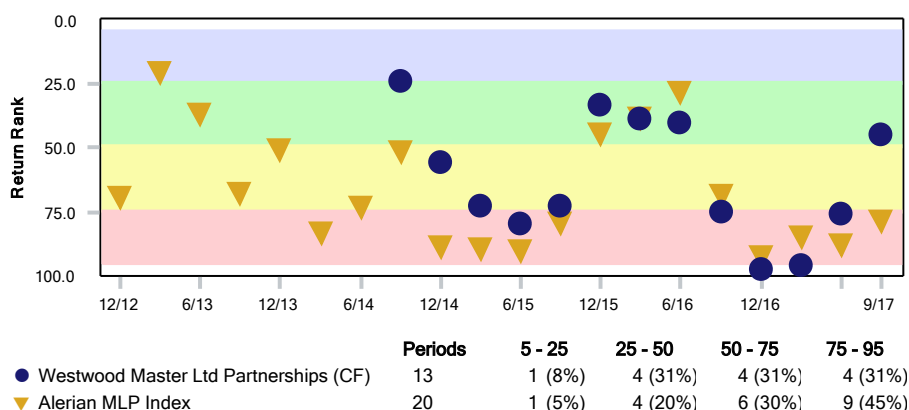
**3 Years Rolling Percentile Ranking - 5 Years**



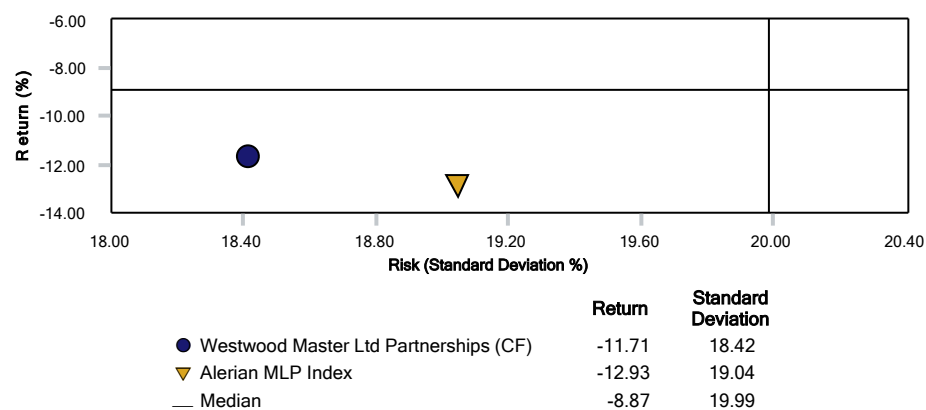
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Westwood Master Ltd Partnerships (CF)	-11.71	18.42	0.65	0.95	-0.59	92.09	93.72
Alerian MLP Index	-12.93	19.04	0.00	1.00	-0.64	100.00	100.00

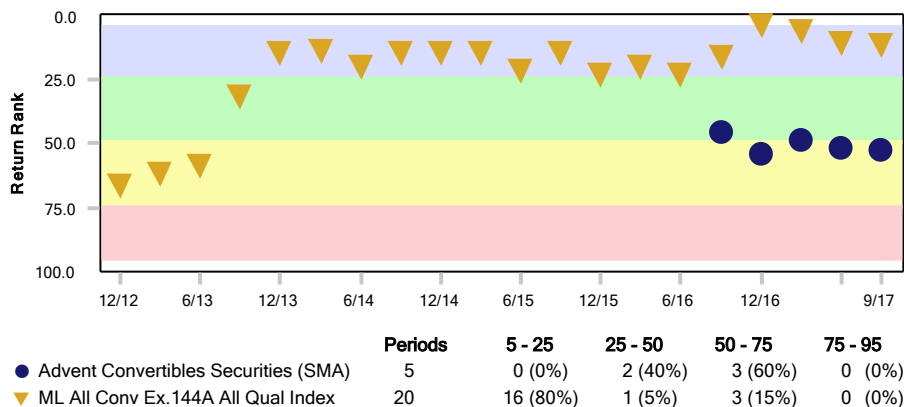
**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Westwood Master Ltd Partnerships (CF)	-0.25	11.16	3.66	1.02	-0.02	92.08	115.63
Alerian MLP Index	-3.70	10.88	0.00	1.00	-0.35	100.00	100.00



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Advent Convertibles Securities (SMA)**  
**September 30, 2017**

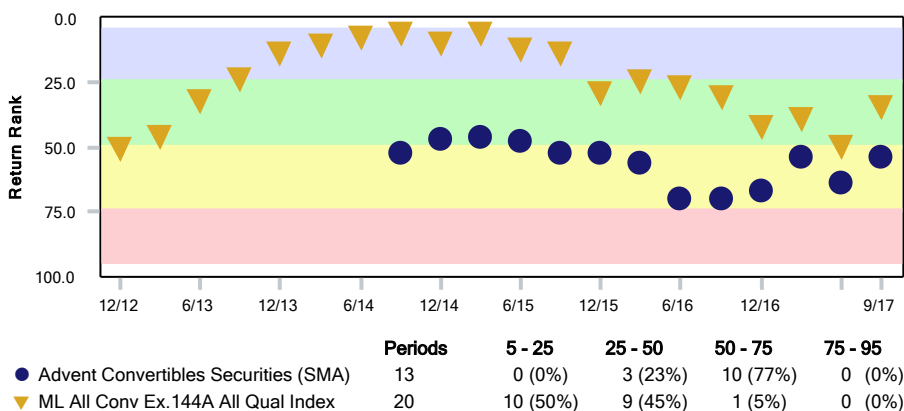
**5 Years Rolling Percentile Ranking - 5 Years**



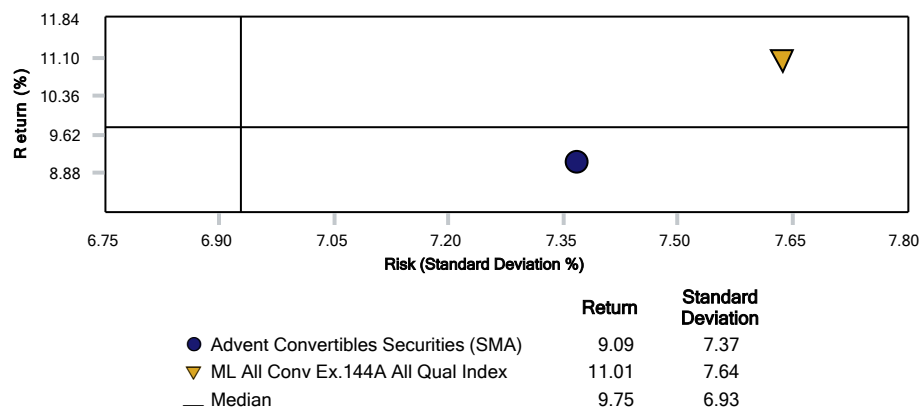
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Advent Convertibles Securities (SMA)	9.09	7.37	-1.17	0.94	1.20	94.14	87.50
ML All Conv Ex.144A All Qual Index	11.01	7.64	0.00	1.00	1.39	100.00	100.00

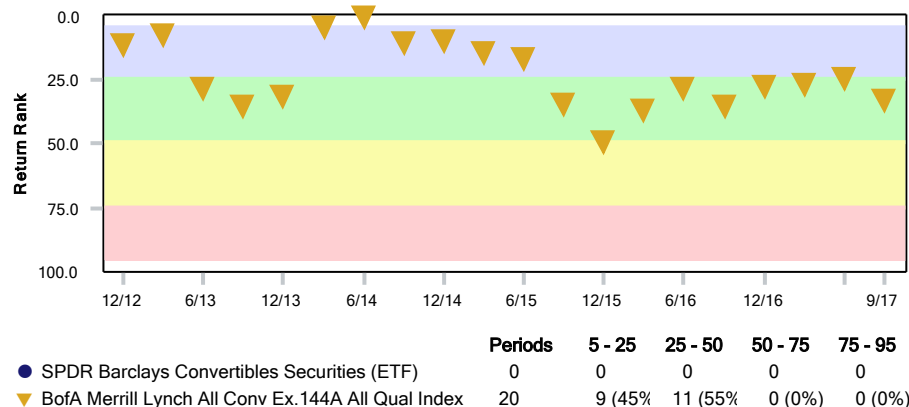
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Advent Convertibles Securities (SMA)	6.50	7.76	-0.26	0.99	0.82	92.54	93.71
ML All Conv Ex.144A All Qual Index	6.87	7.72	0.00	1.00	0.87	100.00	100.00

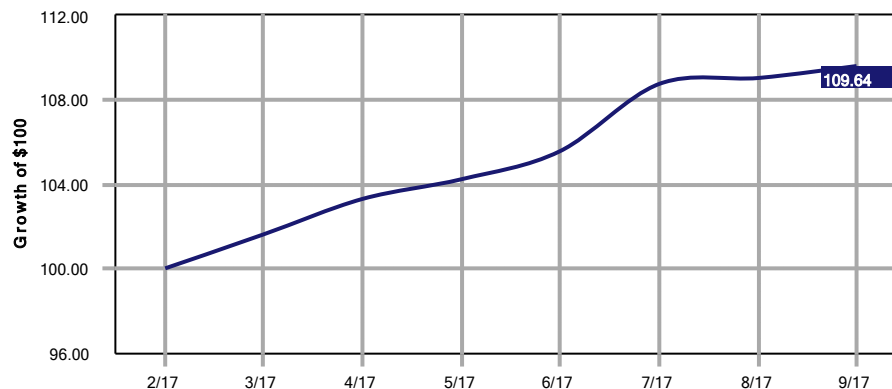


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**SPDR Barclays Convertibles Securities (ETF)**  
**September 30, 2017**

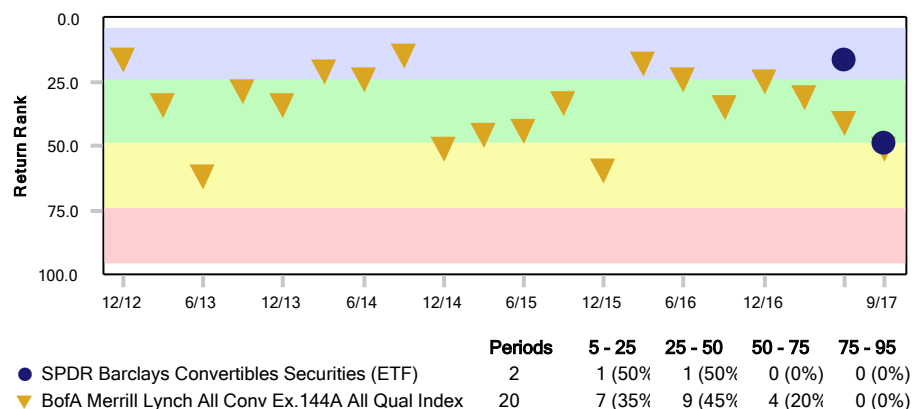
**1 Year Rolling Percentile Ranking - 5 Years**



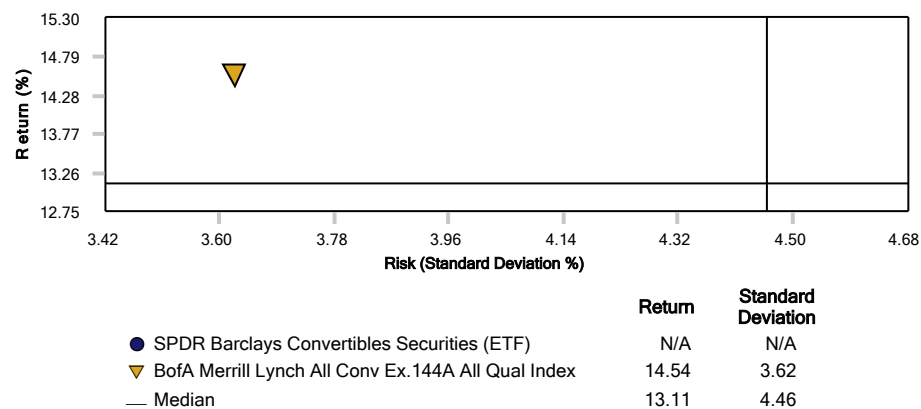
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SPDR Barclays Convertibles Securities (ETF)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BofA Merrill Lynch All Conv Ex.144A All Qual Index	14.54	3.62	0.00	1.00	3.62	100.00	100.00

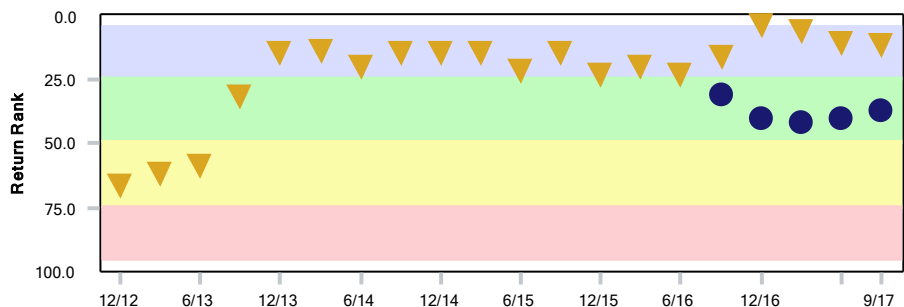
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SPDR Barclays Convertibles Securities (ETF)	3.79	1.25	-1.34	2.15	0.93	N/A	104.04
BofA Merrill Lynch All Conv Ex.144A All Qual Index	3.66	0.53	0.00	1.00	2.11	N/A	100.00



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**SSI Convertibles Securities (SMA)**  
**September 30, 2017**

**5 Years Rolling Percentile Ranking - 5 Years**

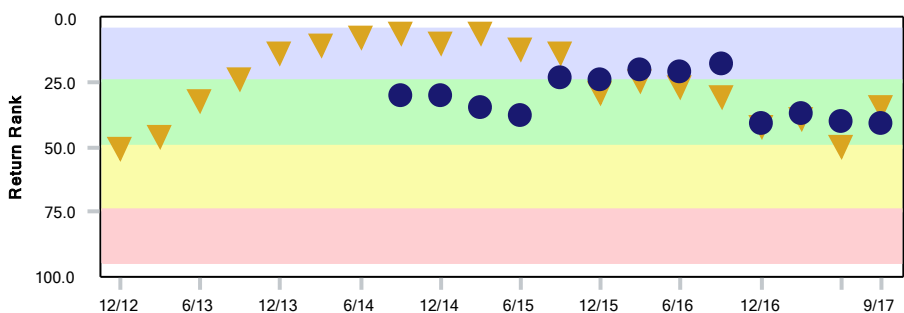


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● SSI Convertibles Securities (SMA)	5	0 (0%)	5 (100%)	0 (0%)	0 (0%)
▼ ML All Conv Ex.144A All Qual Index	20	16 (80%)	1 (5%)	3 (15%)	0 (0%)

**Growth of a Dollar**

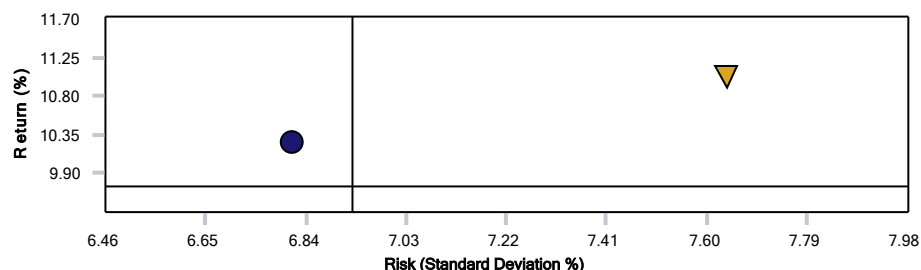


**3 Years Rolling Percentile Ranking - 5 Years**



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● SSI Convertibles Securities (SMA)	13	5 (38%)	8 (62%)	0 (0%)	0 (0%)
▼ ML All Conv Ex.144A All Qual Index	20	10 (50%)	9 (45%)	1 (5%)	0 (0%)

**Peer Group Risk/Reward - 5 Years**



	Return	Standard Deviation
● SSI Convertibles Securities (SMA)	10.25	6.82
▼ ML All Conv Ex.144A All Qual Index	11.01	7.64
— Median	9.75	6.93

**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SSI Convertibles Securities (SMA)	10.25	6.82	0.64	0.87	1.44	83.77	89.55
ML All Conv Ex.144A All Qual Index	11.01	7.64	0.00	1.00	1.39	100.00	100.00

**Historical Statistics - 3 Years**

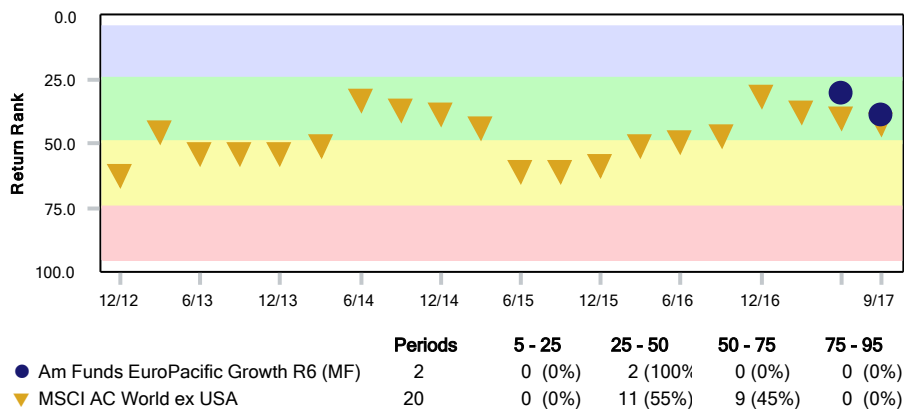
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SSI Convertibles Securities (SMA)	6.82	6.52	1.12	0.82	1.01	76.09	86.62
ML All Conv Ex.144A All Qual Index	6.87	7.72	0.00	1.00	0.87	100.00	100.00



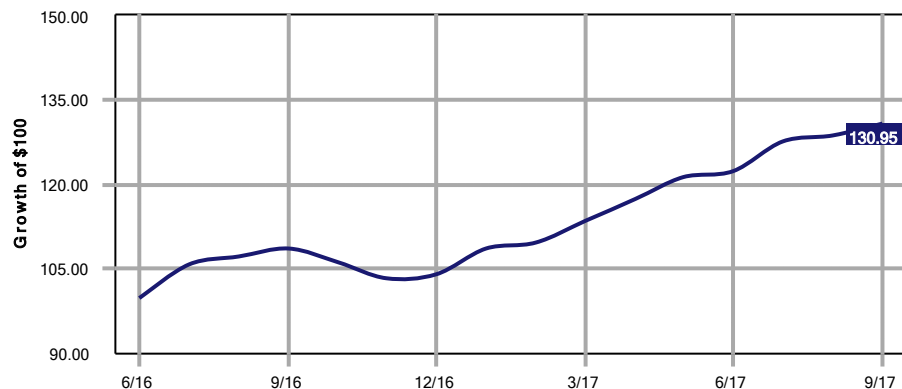


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Am Funds EuroPacific Growth R6 (MF)**  
**September 30, 2017**

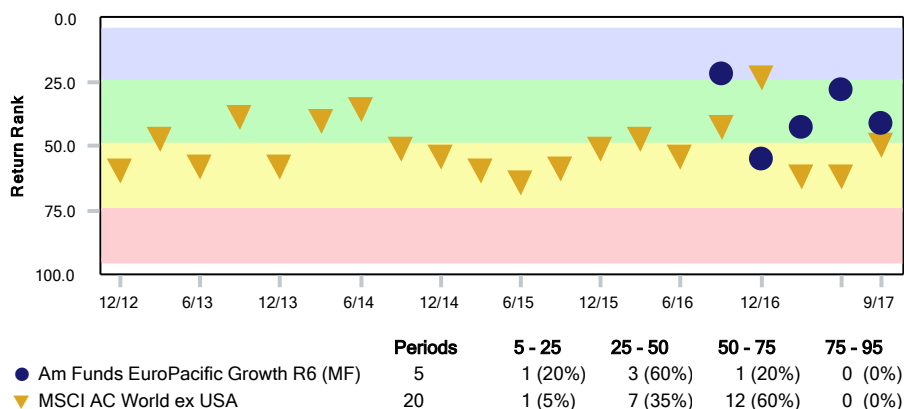
**1 Year Rolling Percentile Ranking - 5 Years**



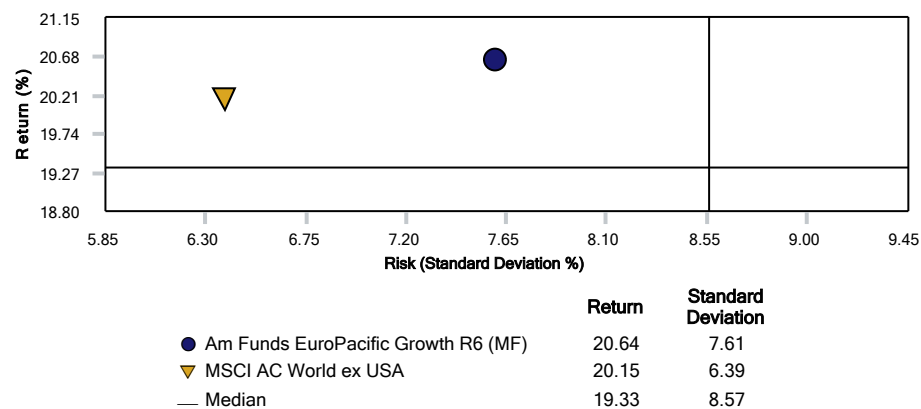
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Am Funds EuroPacific Growth R6 (MF)	20.64	7.61	-1.42	1.10	2.45	125.03	106.36
MSCI AC World ex USA	20.15	6.39	0.00	1.00	2.84	100.00	100.00

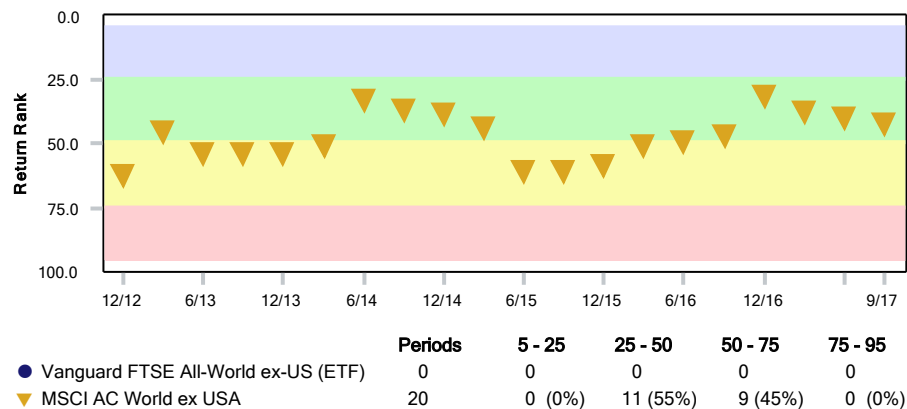
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Am Funds EuroPacific Growth R6 (MF)	6.86	1.47	0.01	1.09	1.47	N/A	109.52
MSCI AC World ex USA	6.25	1.30	0.00	1.00	1.51	N/A	100.00

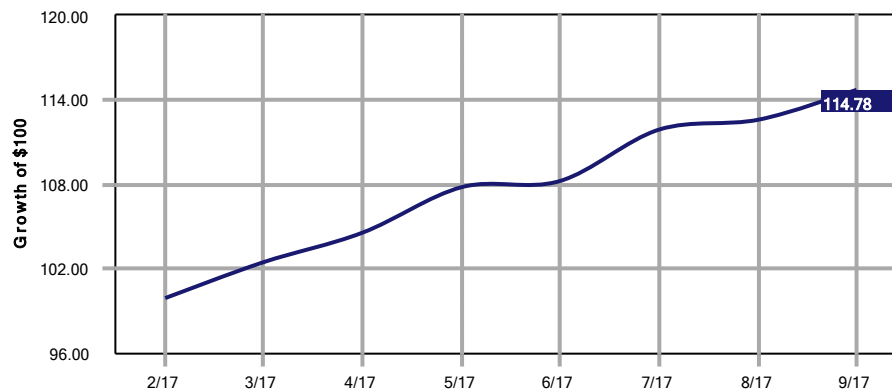


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Vanguard FTSE All-World ex-US (ETF)**  
**September 30, 2017**

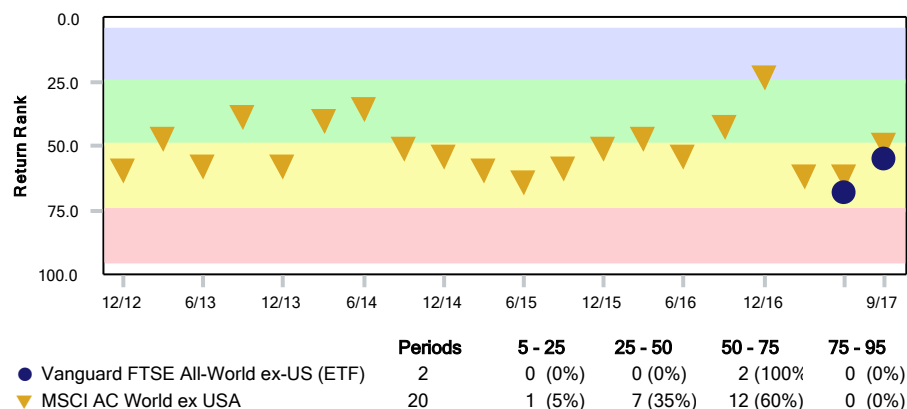
**1 Year Rolling Percentile Ranking - 5 Years**



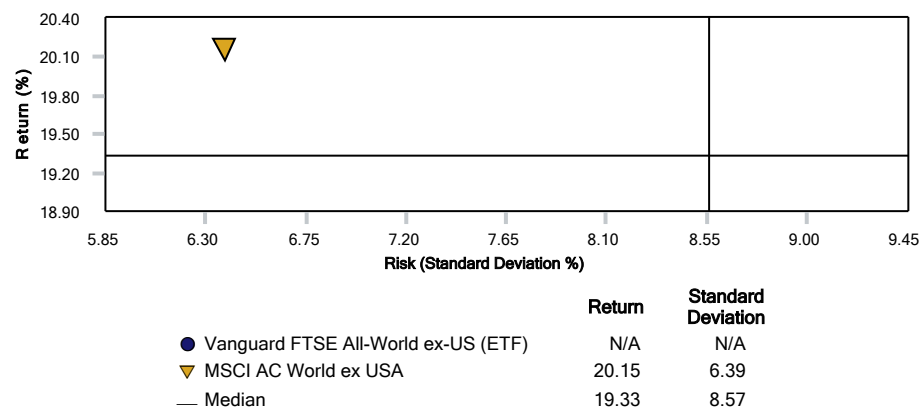
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vanguard FTSE All-World ex-US (ETF)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA	20.15	6.39	0.00	1.00	2.84	100.00	100.00

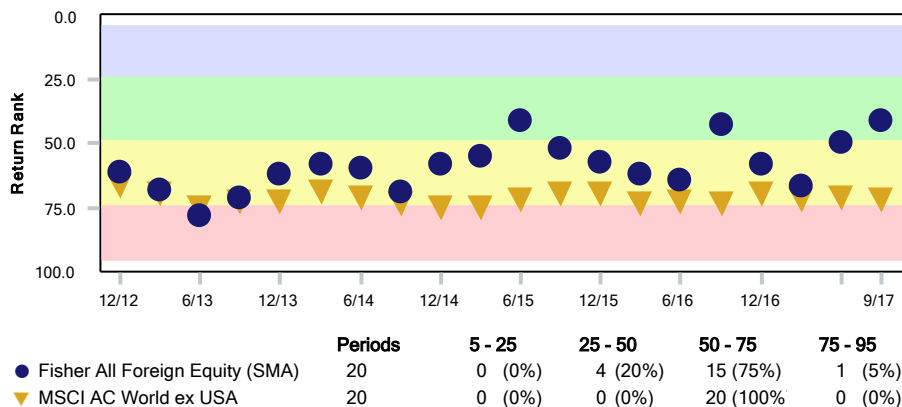
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vanguard FTSE All-World ex-US (ETF)	5.95	1.12	0.18	0.86	1.66	N/A	95.24
MSCI AC World ex USA	6.25	1.30	0.00	1.00	1.51	N/A	100.00

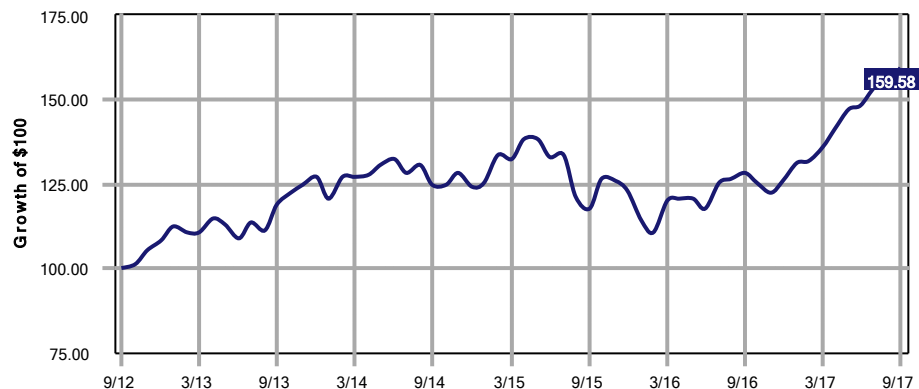


**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Fisher All Foreign Equity (SMA)  
September 30, 2017**

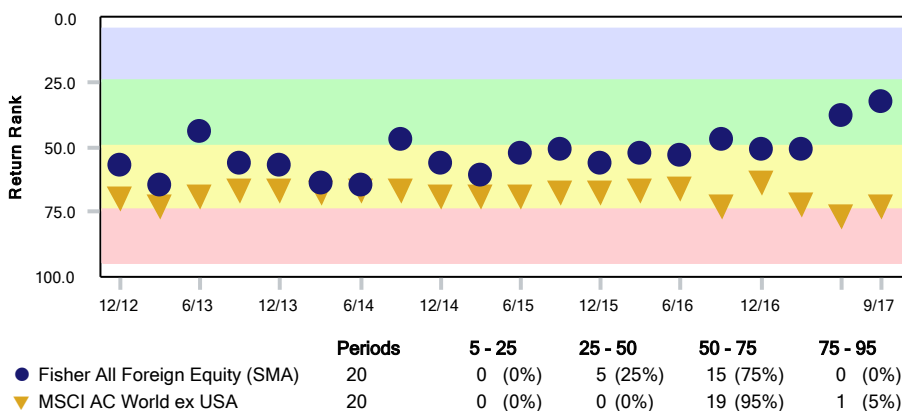
**5 Years Rolling Percentile Ranking - 5 Years**



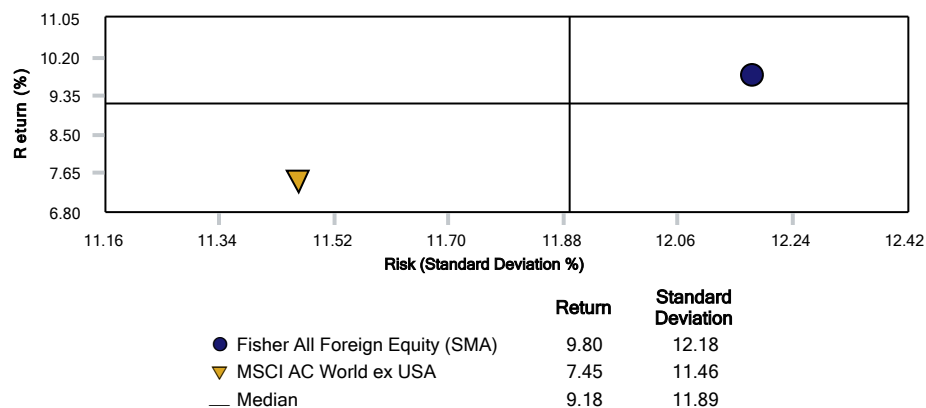
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fisher All Foreign Equity (SMA)	9.80	12.18	2.14	1.02	0.82	98.42	110.33
MSCI AC World ex USA	7.45	11.46	0.00	1.00	0.67	100.00	100.00

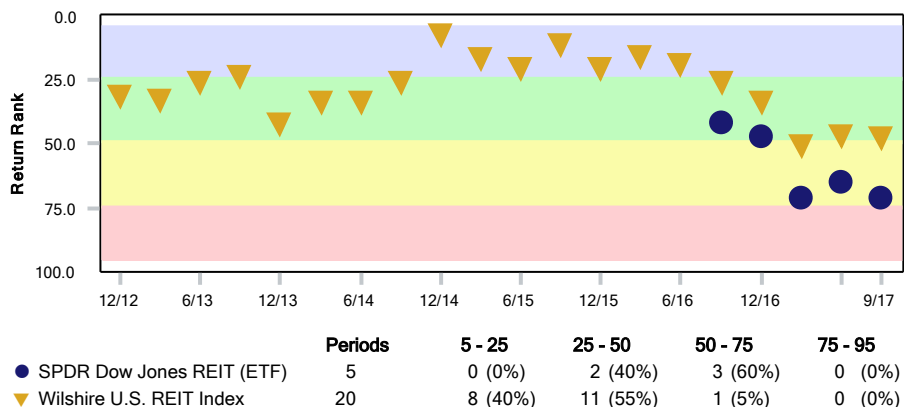
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fisher All Foreign Equity (SMA)	8.47	12.99	3.06	1.03	0.67	92.15	110.75
MSCI AC World ex USA	5.19	12.10	0.00	1.00	0.46	100.00	100.00

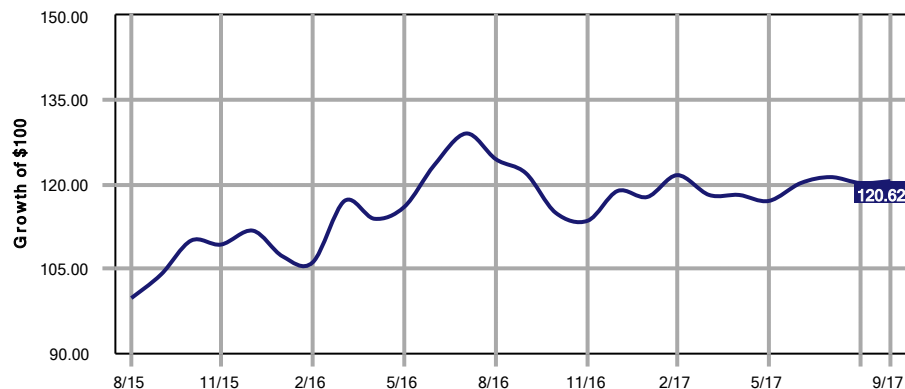


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**SPDR Dow Jones REIT (ETF)**  
**September 30, 2017**

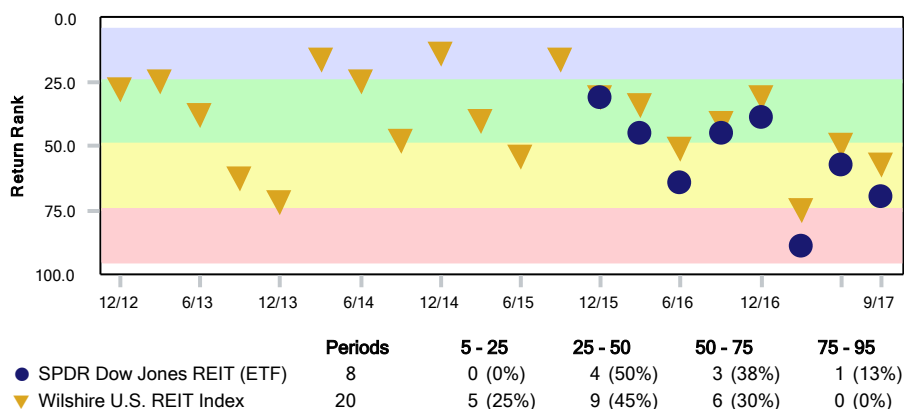
**1 Year Rolling Percentile Ranking - 5 Years**



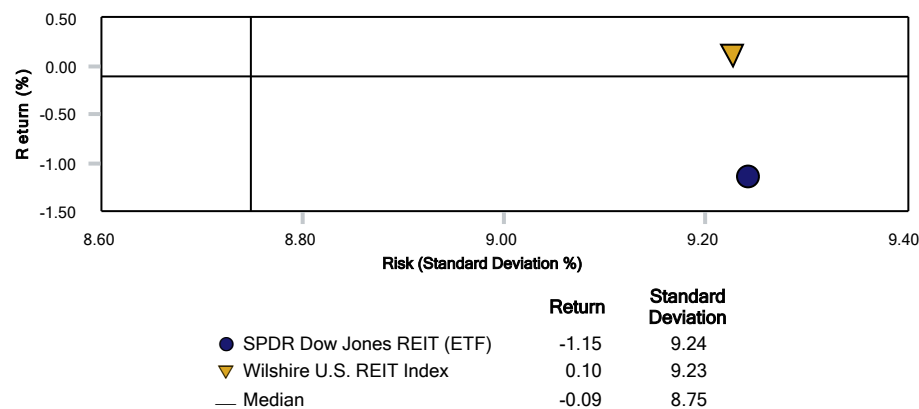
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SPDR Dow Jones REIT (ETF)	-1.15	9.24	-1.25	1.00	-0.15	107.05	96.27
Wilshire U.S. REIT Index	0.10	9.23	0.00	1.00	-0.01	100.00	100.00

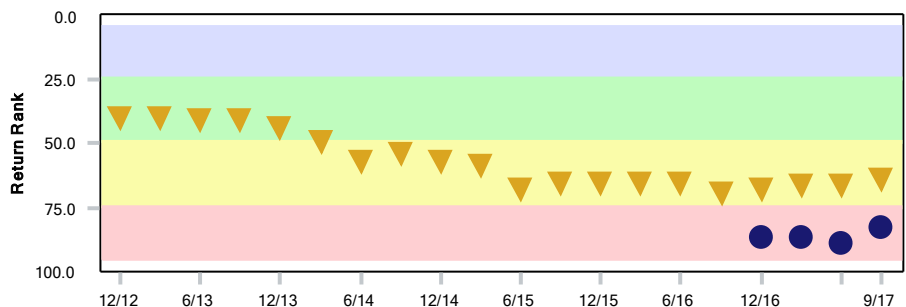
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SPDR Dow Jones REIT (ETF)	0.31	0.68	-0.09	0.95	0.03	112.51	78.88
Wilshire U.S. REIT Index	0.61	0.65	0.00	1.00	0.18	100.00	100.00



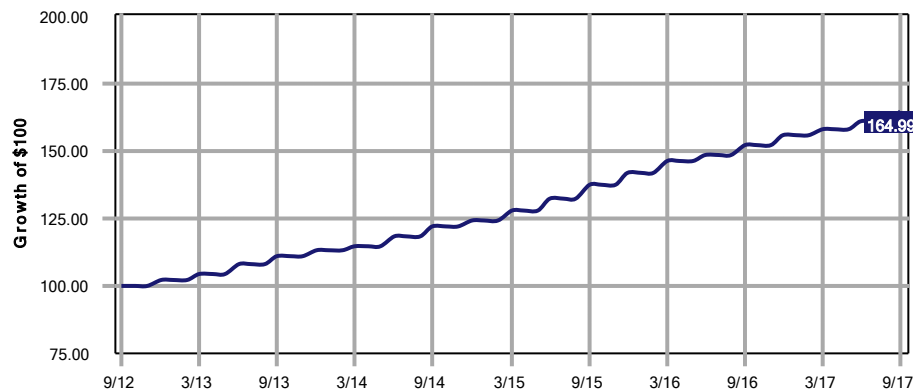
**Palm Tran, Inc. / ATU Local 1577 Pension Fund  
Barings Core Property Fund LP (CF)  
September 30, 2017**

**5 Years Rolling Percentile Ranking - 5 Years**

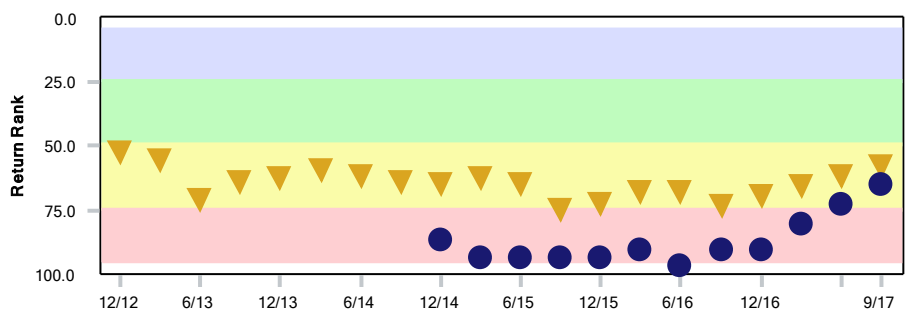


	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Barings Core Property Fund LP (CF)	4	0 (0%)	0 (0%)	0 (0%)	4 (100%)
▼ NCREIF Fund Index-ODCE (VW)	20	0 (0%)	6 (30%)	14 (70%)	0 (0%)

**Growth of a Dollar**

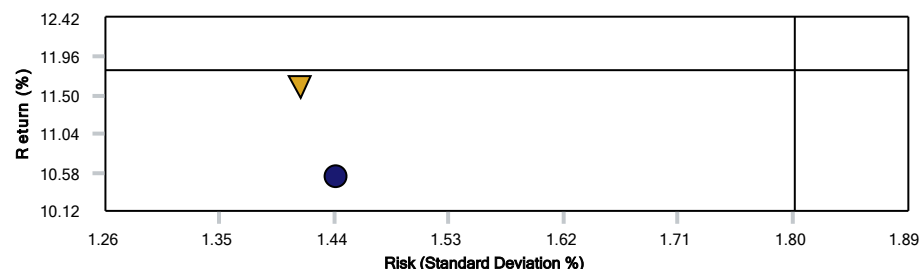


**3 Years Rolling Percentile Ranking - 5 Years**



	Periods	5 - 25	25 - 50	50 - 75	75 - 95
● Barings Core Property Fund LP (CF)	12	0 (0%)	0 (0%)	2 (17%)	10 (83%)
▼ NCREIF Fund Index-ODCE (VW)	20	0 (0%)	0 (0%)	20 (100%)	0 (0%)

**Peer Group Risk/Reward - 5 Years**



	Return	Standard Deviation
● Barings Core Property Fund LP (CF)	10.53	1.44
▼ NCREIF Fund Index-ODCE (VW)	11.59	1.41
— Median	11.81	1.80

**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Barings Core Property Fund LP (CF)	10.53	1.44	2.42	0.70	6.69	N/A	91.21
NCREIF Fund Index-ODCE (VW)	11.59	1.41	0.00	1.00	7.22	N/A	100.00

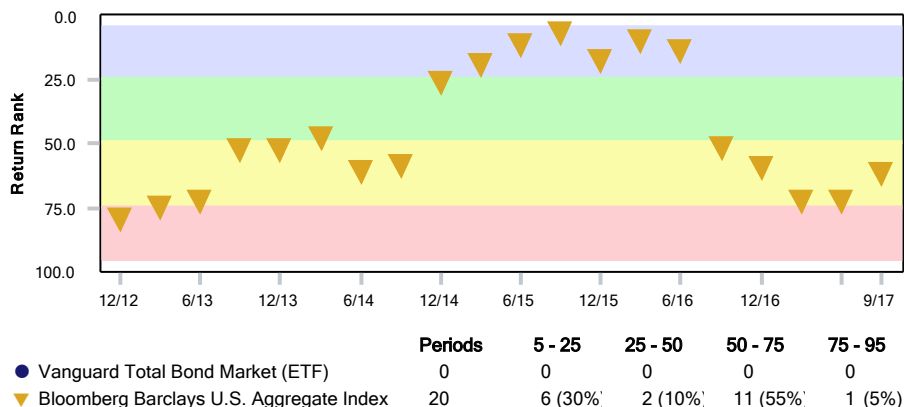
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Barings Core Property Fund LP (CF)	10.60	1.46	3.19	0.68	6.46	N/A	97.81
NCREIF Fund Index-ODCE (VW)	10.85	1.55	0.00	1.00	6.06	N/A	100.00

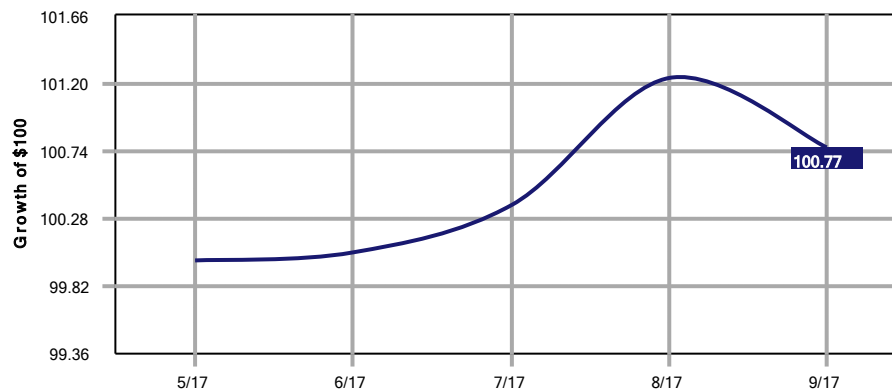


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Vanguard Total Bond Market (ETF)**  
**September 30, 2017**

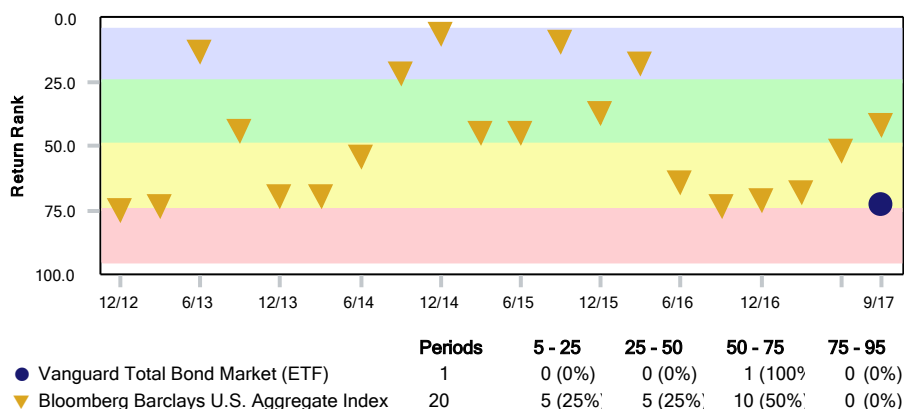
**1 Year Rolling Percentile Ranking - 5 Years**



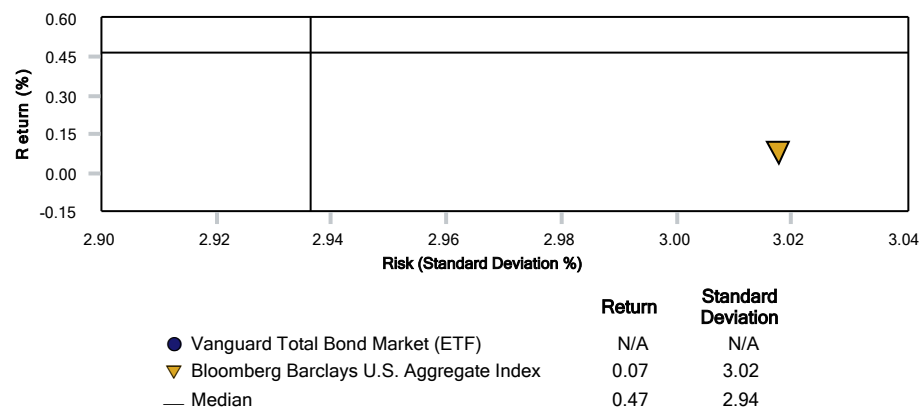
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vanguard Total Bond Market (ETF)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bloomberg Barclays U.S. Aggregate Index	0.07	3.02	0.00	1.00	-0.17	100.00	100.00

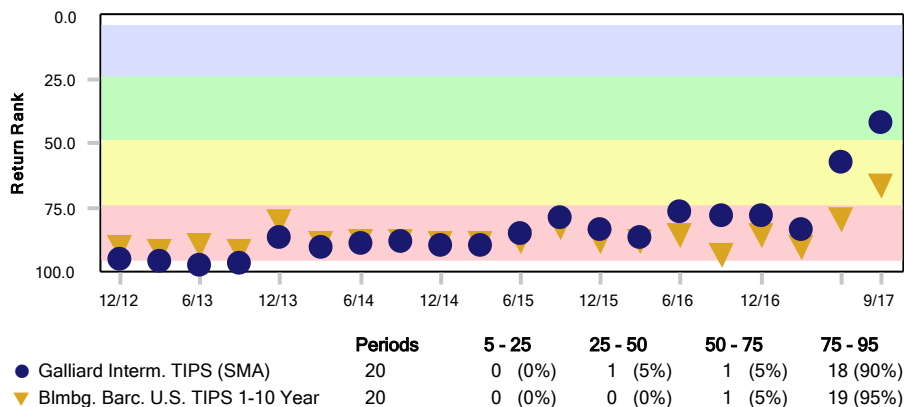
**Historical Statistics - 1 Quarter**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vanguard Total Bond Market (ETF)	0.71	0.54	-0.03	0.95	0.28	98.49	89.38
Bloomberg Barclays U.S. Aggregate Index	0.85	0.57	0.00	1.00	0.34	100.00	100.00

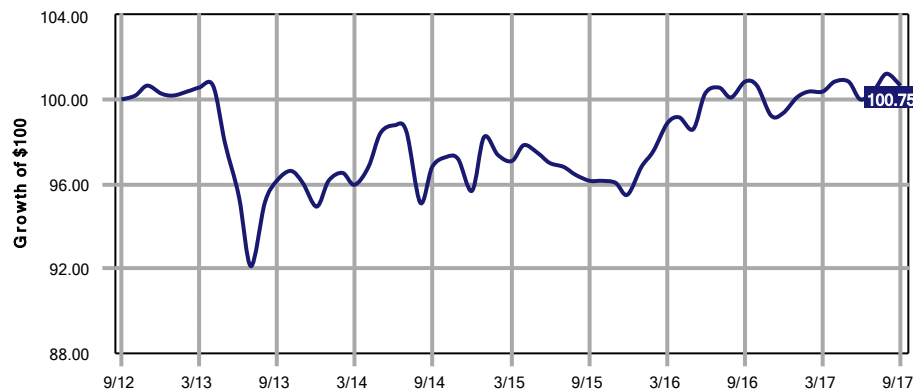


**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Galliard Intern. TIPS (SMA)**  
**September 30, 2017**

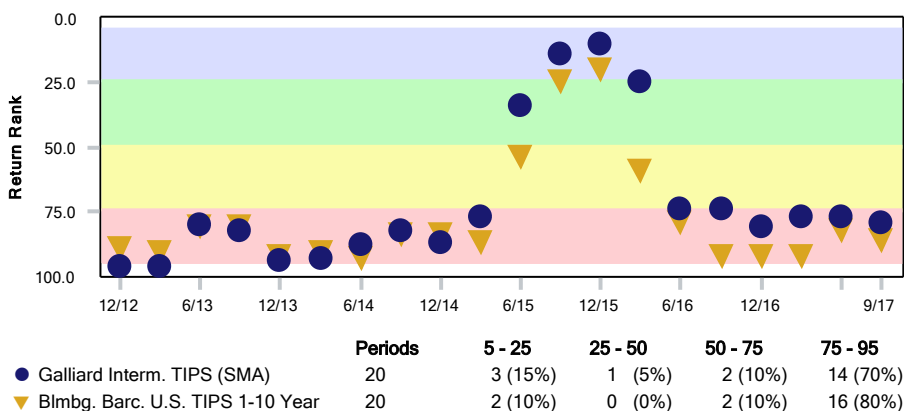
**5 Years Rolling Percentile Ranking - 5 Years**



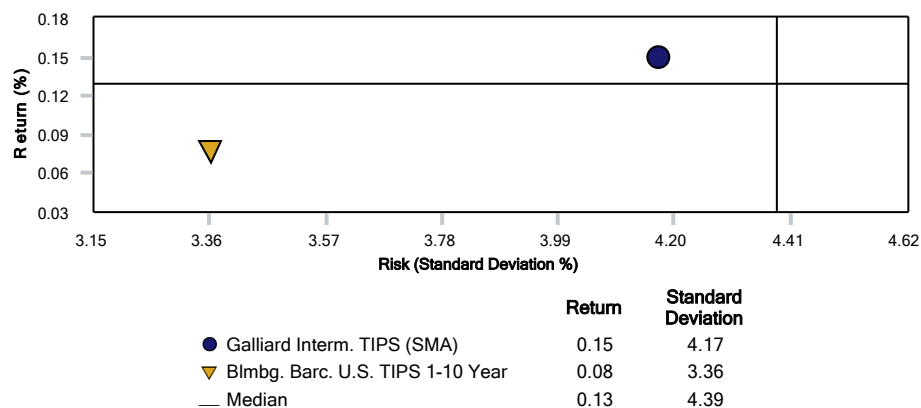
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Galliard Intern. TIPS (SMA)	0.15	4.17	0.15	0.69	0.01	58.24	61.88
Blmbg. Barc. U.S. TIPS 1-10 Year	0.08	3.36	0.00	1.00	-0.02	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Galliard Intern. TIPS (SMA)	1.32	2.88	0.04	1.01	0.37	97.76	99.73
Blmbg. Barc. U.S. TIPS 1-10 Year	1.26	2.84	0.00	1.00	0.36	100.00	100.00



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Glossary**  
**September 30, 2017**

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.
- 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 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.
- CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.
- CORE- An equal weighting in both growth and value stocks.
- CORRELATION COEFFICIENT- A 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.
- 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.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$10 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 \$2 and \$10 billion.
- NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.
- NET- Investment return accounts only for manager fees.
- PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).
- RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period, excluding contributions.
- 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.





**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Glossary**  
**September 30, 2017**

- 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.
- SMALL CAP- Generally refers to a company with a market capitalization \$300 million to \$2 billion.
- 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 (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) returns are the same and vice versa.
- 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.
- TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta).
- UP AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.
- VALUE MANAGER- Generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.



**Palm Tran, Inc. / ATU Local 1577 Pension Fund**  
**Disclosure**  
**September 30, 2017**

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, income and management fees 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, asset allocating and timing of investment decisions.
- 4.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.
- 5.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.
- 6.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.
- 7.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 subject to revision.
- 8.BCA has not reviewed the risks of individual security holdings.
- 9.BCA investment reports are not indicative of future results.
10. Performance rankings are time sensitive and subject to change.
11. Mutual Fund (MF) and ETF returns are presented net of fees and ranked in net of fee universes.
12. Separately Managed Account (SMA) and Commingled Fund (CF) returns are presented gross of fees and ranked in gross of fees universes.
13. Composite returns are reported gross of fees and ranked in universes that encompass both gross and net of fee returns.
14. Total Fund returns are presented gross of fees and ranked in a gross of fee universe.
15. For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers & Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact: 407-644-0111, [info@burgesschambers.com](mailto:info@burgesschambers.com), 315 East Robinson Street Suite #690, Orlando, Florida 32801.



*Burgess Chambers & Associates, Inc.*  
*Institutional Investment Advisors*  
*[www.burgesschambers.com](http://www.burgesschambers.com)*

315 East Robinson Street, Suite 690, Orlando, Florida 32801  
P: 407-644-0111 F: 407-644-0694