

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

**INVESTMENT PERFORMANCE  
PERIOD ENDING  
DECEMBER 31, 2014**

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BCA reviews transactions provided by the custodian and uses reasonable care to ensure the accuracy of the data contained herein.  
However, BCA cannot guarantee the accuracy of the custodian's statement.



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

## BCA Market Perspective ©

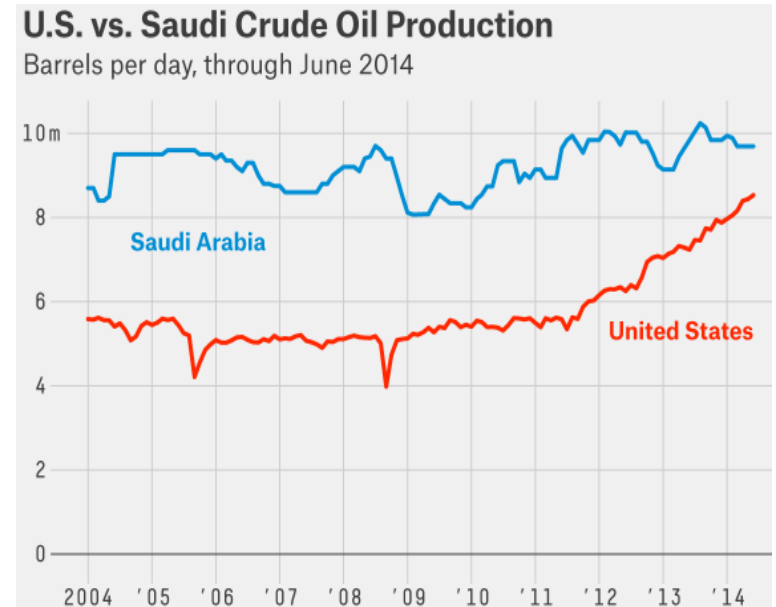
### Oil Freefall

#### January 2015

Since June 20th, when oil peaked at \$107.95 a barrel, West Texas Intermediate (WTI) has plummeted, resulting in the price of oil dropping to a low of \$44.20. That's more than a 59% drop over the past 6 months. Drastic moves in the price of oil are not an anomaly; in fact it's happened 6 times since 1980: 1987, 1991, 1999, 2002, 2009, and 2014.<sup>1</sup> So what is causing this free fall in the price of oil? Two words: supply and demand. Currently, the world is producing about 1.8 million barrels of oil in excess of the current demand.<sup>2</sup>

From the supply side, the shale boom in the U.S. is a key contributor to this glut in oil. With prices of crude hovering around \$100 per barrel and new drilling techniques making extraction more cost efficient, it became profitable for companies to drill for oil in hard-to-drill places, specifically in shale areas throughout North Dakota and Texas and in the thick oil sands throughout Alberta, Canada. Since 2008, the U.S. has added 4 million barrels per day of crude to the global market, significant as a percentage, since global crude production is around 93 million barrels per day. Up until this year, the growth in U.S. production was almost completely offset by the reduction of 3 million barrels per day in production out of areas like Iran, Libya, and Iraq.

From the demand side, a slowing global economy has led to lower demand for oil in Asia and Europe, especially with the anticipated decline of growth rates in countries like China and Germany. In 2014, China's GDP grew +7.4%, the slowest since 1990. More broadly, oil demand has simply been flat. Governments and individuals have become much more cognizant of the impact of fossil fuels on the environment, and are seeking to reduce their carbon footprint on the Earth. Gasoline consumption has fallen in the U.S. as car manufacturers have not only begun making cars that are much more fuel-efficient, but also vehicles that run without the need of gasoline at all, for example Tesla.



Interestingly, four out of the five times crude oil has dropped by 50% or more in a six month window, the S&P 500 has been up six months later, averaging +3.7% for that period. All five times, WTI rebounded in the subsequent six month period, averaging a +52% recovery.<sup>2</sup> Not to mention, the average price per gallon for consumers across America is trickling down to \$2.00, with several states already seeing lower prices. The average price per gallon in the U.S. sits at \$2.12, down 46 cents in the past month, and down \$1.01 from this time last year.<sup>3</sup> That means the U.S. consumer is saving around \$750 at the pump per year, which is a potential boost to the economy as that cash goes right back into Americans wallets.

<sup>1</sup> CNBC.com "Here's what happens to stocks when oil drops 50%"

<sup>2</sup> Bloomberg.com "Oil Recovery Seen by Gulf Producers as Slump Spurs Demand"

<sup>3</sup> USAToday.com "National gas prices to soon fall below \$2"

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.



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Investment Summary**  
**December 31, 2014**

- For the quarter, the Fund earned \$822K or +1.2% (+1.0% net), trailing the benchmark (+2.2%). The difference mainly came from CS McKee and Scout missing their respective benchmarks and the absence of MLPs in the Fund benchmark. The three best performing asset categories were: RREEF REIT (+15.5%), passive iShares Russell large-cap growth ETF (+4.8%), and SSI convertibles (+2.7%).
- For the Fiscal-year, the Fund earned \$4.7 million or +7.3% (+6.6% net), similar to the benchmark (+7.0%). The three best performing asset categories were: RREEF REIT (+32.8%), passive iShares Russell large-cap growth ETF (+13.1%), and SSI convertibles (+11.1%).
- **For the three-year period, the Fund earned \$19.6 million or +11.3% (+10.6% net), per year, well ahead of the actuarial assumed rate of return (+8.0%).**
- **For the five-year period, the Fund earned \$26.2 million or +9.8% (+9.1% net) per year, well ahead of the actuarial assumed rate of return (+8.0%).**
- Given Salem Trust not having a Global Trading Platform, the replacement of CS McKee by Vulcan has been delayed. Salem Trust has indicated to BCA its willingness to enhance its operation as requested.



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Summary (Continued)  
December 31, 2014**

**Product/Manager Reviews:**

- The passive Russell 1000 Growth ETF product continues to be an excellent performer, ranking in the top 37th percentile for the five-year period.
- The passive S&P 400 ETF was replaced by the Scout mid-cap portfolio on 7/18/14.
- The Westwood MLP product had a strong 12-month performance – well ahead of its benchmark (+9.3% vs. +7.6%).
- Advent and SSI's convertible bonds three-year results trailed the benchmark, due to lower risk portfolios, but ranked in the top 45th and 25th percentiles, respectively.
- Fisher's international product beat its benchmark for the three and five-year periods, and ranked average.
- RREEF REIT was in-line with its benchmark for the three and five-year periods, and ranked above the IPS objective.
- Cornerstone's private real estate program was an excellent bond substitute for the 12-month period, earning +9.8%.
- Galliard's core fixed-income program has been a consistent performer, with results ahead of the benchmark and ranked average for the three and five-year periods.
- The Galliard's TIPs continue to closely track the benchmark.
- The Intercontinental hedge fund beat its benchmark for the three-year period.



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Investment Performance  
December 31, 2014**

Dollars

	<u>Quarter</u>	<u>Fiscal Year</u>
<b>Beginning Market Value</b>	83,509,632	76,048,628
<b>Ending Market Value</b>	84,443,402	84,443,402
<b>Net Contributions</b>	+111,521	+3,656,826
<b>Investment Gain/(Loss)</b>	+822,249	+4,737,948
<b>Investment Return, Net</b>	+1.0%	+6.6%
<b>Strategic Model</b>	+2.2%	+7.0%
<b><i>Value Added (pts.)</i></b>	<b><i>-1.2</i></b>	<b><i>-0.4</i></b>

Fiscal Year Ends 12/31



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Investment Policy Review**  
**December 31, 2014**

	<b>Delta*</b>	
Total Fund performance achieved the actuarial assumed rate of return (+8.0%) for five years.	Y	Y
Total Fund performance achieved the Strategic Model over the three-year rolling period.	Y	N
Total Fund performance ranked in the top 50th percentile over the three-year period.	N	N
Total Fund performance achieved the Strategic Model over the five-year rolling period.	Y	N
Total Fund performance ranked in the top 50th percentile over the five-year period.	N	-
CS McKee large cap value performance achieved the Russell 1000 value over the three-year rolling period.	N	Y
CS McKee large cap value performance ranked in the top 50th percentile over the three-year period.	N	N
CS McKee large cap value performance achieved the Russell 1000 value over the five-year rolling period.	N	N
CS McKee large cap value performance ranked in the top 50th percentile over the five-year period.	N	N
Advent convertibles performance achieved the ML AQ Convertible x144A over the three-year rolling period.	N	Y
Advent convertibles performance ranked in the top 50th percentile over the three-year period.	Y	Y
SSI convertibles performance achieved the ML AQ Convertible x144A over the five-year rolling period.	N	Y
SSI convertibles performance ranked in the top 50th percentile over the five-year period.	Y	Y
Fisher international performance achieved the MCSI ACWI xUS over the three-year rolling period.	Y	N
Fisher international performance ranked in the top 50th percentile over the three-year period.	Y	N
Fisher international performance achieved the MCSI ACWI xUS over the five-year rolling period.	Y	Y
Fisher international performance ranked in the top 50th percentile over the five-year period.	N	Y
RREEF REIT performance achieved the Wilshire REIT over the three-year rolling period.	N	N
RREEF REIT performance ranked in the top 50th percentile over the three-year period.	Y	Y
RREEF REIT performance achieved the Wilshire REIT over the five-year rolling period.	Y	N
RREEF REIT performance ranked in the top 50th percentile over the five-year period.	Y	-



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Investment Policy Review (Continued)**  
**December 31, 2014**

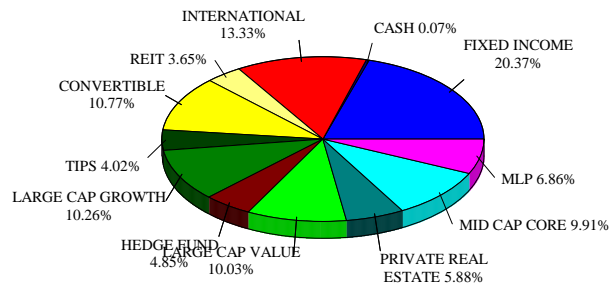
		<b>Delta*</b>
Galliard fixed income performance achieved the Fixed Income Benchmark over the three-year rolling period.	Y	Y
Galliard fixed income performance ranked in the top 50th percentile over the three-year period.	N	Y
Galliard fixed income performance achieved the Fixed Income Benchmark over the five-year rolling period.	Y	N
Galliard fixed income performance ranked in the top 50th percentile over the five-year period.	Y	Y
Intercontinental hedge fund performance achieved the Barclays Hedge Benchmark over the three-year rolling period.	Y	N/A
PFIA compliant.	Y	
Domestic equity managers may only invest in ADR foreign securities not to exceed 5% of the manager's account based on market value.	Y	
Investments in equities, excluding the real estate allocation, shall not exceed 70% of the Fund's assets at market value.	Y	
Equities: Not more than 5% of a manager's portfolio shall be invested in the securities of a single corporate issuer.	Y	
All investments in securities issued by foreign governments or corporations domiciled outside the US shall not exceed 20% at market.	Y	
Non-government bonds: Investments in any one issuing corporation shall be limited to 2.0% of the total bond portfolio.	Y	
Fixed income securities shall be limited to those securities rated at or above "Baa2" (Moody) or "BBB" (S&P).	Y	
Treasury Inflation Indexed Securities (TIPS) are limited to 1 to 10 year maturities.	Y	

\*Delta or change measures relative improvement for the rolling period, as compared to the prior report. No change is shown by a dash (-).

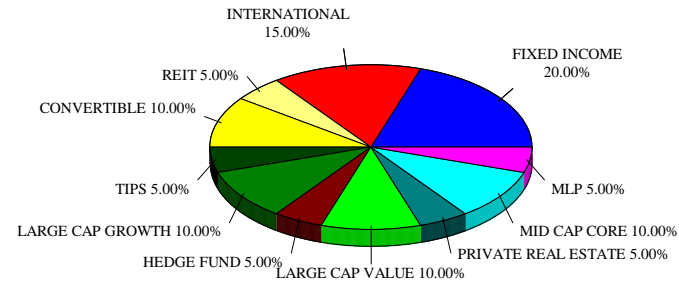


**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Actual vs. Target Asset Allocation**  
**December 31, 2014**

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**

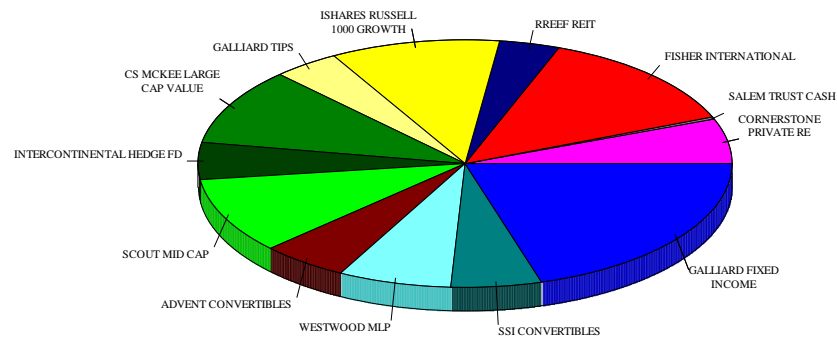


	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
LARGE CAP VALUE	8,468,864.5	10.0%	8,444,340.2	10.0%	24,524.3	0.0%
LARGE CAP GROWTH	8,664,178.2	10.3%	8,444,340.2	10.0%	219,838.0	0.3%
MID CAP CORE	8,367,394.7	9.9%	8,444,340.2	10.0%	(76,945.5)	(0.1%)
MLP	5,794,994.5	6.9%	4,222,170.1	5.0%	1,572,824.5	1.9%
CONVERTIBLE	9,095,520.0	10.8%	8,444,340.2	10.0%	651,179.9	0.8%
INTERNATIONAL	11,253,244.6	13.3%	12,666,510.2	15.0%	(1,413,265.6)	(1.7%)
REIT	3,084,328.2	3.7%	4,222,170.1	5.0%	(1,137,841.9)	(1.3%)
PRIVATE REAL ESTATE	4,965,945.6	5.9%	4,222,170.1	5.0%	743,775.6	0.9%
FIXED INCOME	17,199,524.9	20.4%	16,888,680.3	20.0%	310,844.6	0.4%
TIPS	3,391,403.5	4.0%	4,222,170.1	5.0%	(830,766.5)	(1.0%)
CASH	58,611.8	0.1%	0.0	0.0%	58,611.8	0.1%
HEDGE FUND	4,099,391.0	4.9%	4,222,170.1	5.0%	(122,779.1)	(0.1%)
<b>TOTAL FUND</b>	<b>\$84,443,401.5</b>	<b>100.0%</b>	<b>\$84,443,401.5</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>





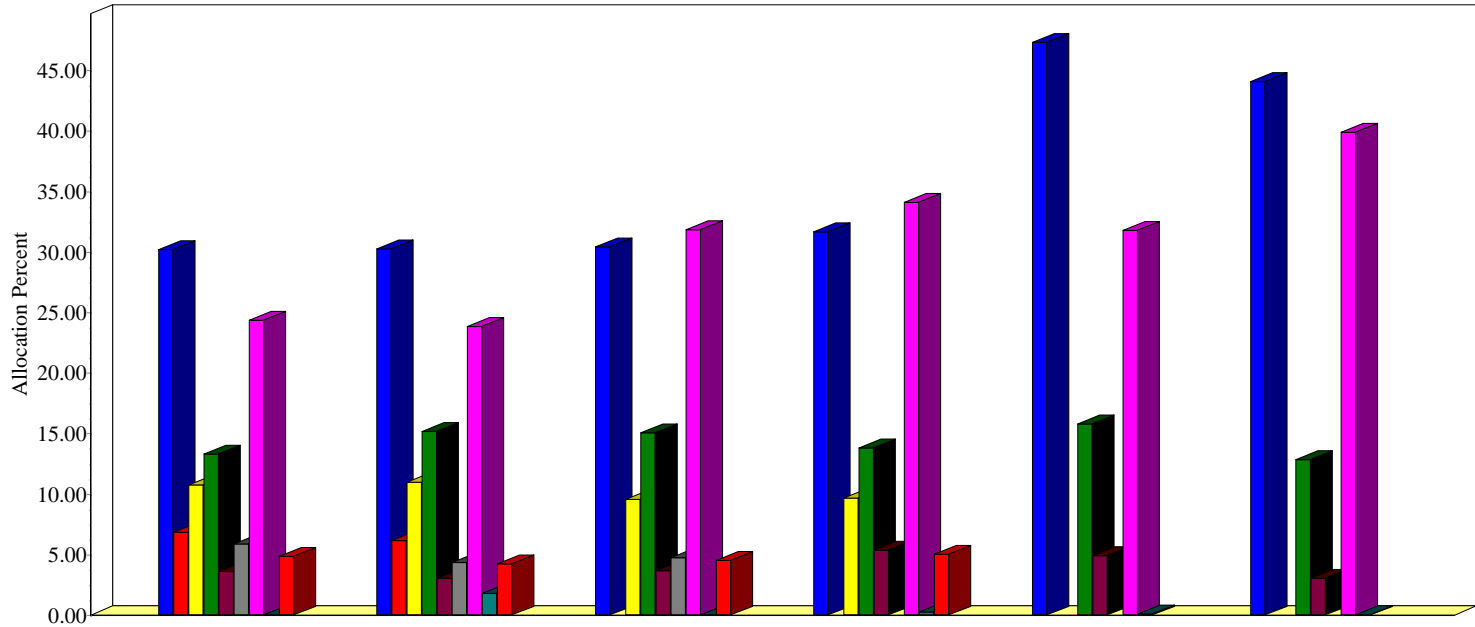
**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Asset Allocation**  
**December 31, 2014**



	VALUE	PERCENT
GALLIARD FIXED INCOME	17,199,525	20.37
FISHER INTERNATIONAL	11,253,245	13.33
ISHARES RUSSELL 1000 GROWTH	8,664,178	10.26
CS MCKEE LARGE CAP VALUE	8,468,864	10.03
SCOUT MID CAP	8,367,395	9.91
WESTWOOD MLP	5,794,995	6.86
CORNERSTONE PRIVATE RE	4,965,946	5.88
SSI CONVERTIBLES	4,636,641	5.49
ADVENT CONVERTIBLES	4,458,879	5.28
INTERCONTINENTAL HEDGE FD	4,099,391	4.85
GALLIARD TIPS	3,391,404	4.02
RREEF REIT	3,084,328	3.65
SALEM TRUST CASH	58,612	0.07
<b>TOTAL</b>	<b>84,443,402</b>	<b>100.00</b>



**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**Total Fund**  
**Asset Distribution**  
**December 31, 2014**



	QUARTER TO DATE	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
DOMESTIC EQUITY	30.20	30.30	30.43	31.68	47.35	44.12
INFRASTRUCTURE	6.86	6.17	N/A	N/A	N/A	N/A
CONVERTIBLE	10.77	10.99	9.59	9.68	N/A	N/A
INTERNATIONAL	13.33	15.18	15.07	13.83	15.80	12.89
REAL ESTATE	3.65	3.08	3.70	5.38	4.93	3.05
REAL ESTATE	5.88	4.38	4.76	N/A	N/A	N/A
FIXED INCOME	24.38	23.88	31.85	34.11	31.81	39.89
CASH	0.07	1.80	0.06	0.28	0.10	0.06
HEDGE FUND	4.85	4.23	4.53	5.03	N/A	N/A



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

### Total Fund

December 31, 2014

### Gross of Fees

Name	Market Values	QTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<u>Domestic Equity</u>						
CS McKee Large Cap Value	8,468,864	2.4%	9.9%	20.3%	18.9%	14.2%
iShares Russell 1000 Growth	8,664,178	4.8%	13.1%	22.8%	20.3%	15.9%
Scout Mid Cap	8,367,395	1.7%	N/A	N/A	N/A	N/A
<b>Total Domestic Equity</b>	<b>25,500,437</b>	<b>3.0%</b>	<b>10.4%</b>	<b>21.1%</b>	<b>19.1%</b>	<b>15.0%</b>
<u>MLP</u>						
Westwood MLP	5,794,995	-10.4%	9.3%	N/A	N/A	N/A
<u>Convertible</u>						
Advent Convertibles	4,458,879	2.2%	6.7%	13.2%	13.2%	N/A
SSI Convertibles	4,636,641	2.7%	11.1%	16.3%	14.6%	N/A
<b>Total Convertible</b>	<b>9,095,520</b>	<b>2.4%</b>	<b>8.9%</b>	<b>14.7%</b>	<b>13.9%</b>	<b>N/A</b>
<u>International</u>						
Fisher International	11,253,245	-0.5%	-2.5%	7.0%	11.1%	6.1%
<u>REIT</u>						
RREEF REIT	3,084,328	15.5%	32.8%	15.3%	16.1%	17.5%
<b>Total Equity</b>	<b>54,728,525</b>	<b>1.2%</b>	<b>7.9%</b>	<b>15.8%</b>	<b>16.0%</b>	<b>12.4%</b>
<u>Private Real Estate</u>						
Cornerstone Private RE	4,965,946	1.9%	9.8%	10.4%	N/A	N/A
<u>Fixed Income</u>						
Galliard Fixed Income	17,199,525	2.0%	6.9%	2.0%	3.2%	4.9%
Galliard TIPS	3,391,404	-1.2%	0.8%	-2.3%	0.0%	2.7%
<b>Total Fixed Income</b>	<b>20,590,928</b>	<b>1.5%</b>	<b>5.9%</b>	<b>1.4%</b>	<b>2.7%</b>	<b>4.5%</b>
<u>Cash</u>						
Salem Trust Cash	58,612	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Alternative</u>						
Intercontinental Hedge Fd	4,099,391	-1.5%	3.0%	8.3%	8.5%	N/A
<b>TOTAL: (1)</b>	<b>84,443,402</b>	<b>1.2%</b>	<b>7.3%</b>	<b>10.8%</b>	<b>11.3%</b>	<b>9.8%</b>
Benchmark		2.2%	7.0%	9.6%	9.9%	8.8%
Russell 1000 Value		5.0%	13.5%	22.6%	20.9%	15.4%
Russell 1000 Growth		4.8%	13.0%	22.8%	20.3%	15.8%
Russell Midcap		5.9%	13.2%	23.5%	21.4%	17.2%
MSCI Mid Cap 450		6.2%	13.4%	24.3%	21.5%	17.2%



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

**Total Fund**

**December 31, 2014**

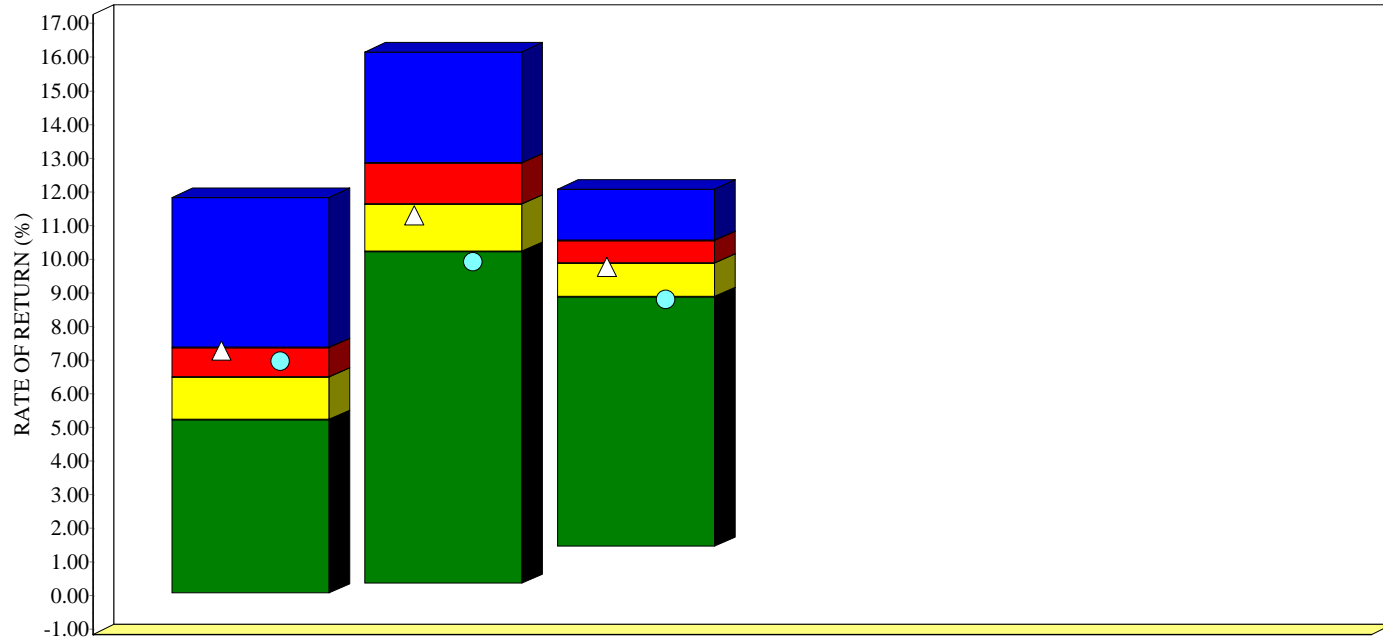
**Gross of Fees**

<b>Name</b>	<b>Market Values</b>	<b>QTD ROR</b>	<b>1 Year ROR</b>	<b>2 Year ROR</b>	<b>3 Year ROR</b>	<b>5 Year ROR</b>
Alerian MLP Infrstru		-10.3%	7.6%	18.0%	13.2%	18.1%
ML Cnv x144A AllQual		1.4%	9.7%	16.8%	16.1%	11.4%
MSCI AC Wrld X US		-3.8%	-3.4%	5.7%	9.5%	4.9%
Wilshire REIT		15.1%	31.8%	15.9%	16.4%	17.3%
NCREIF ODCE		3.3%	12.5%	13.2%	12.5%	13.9%
BC Aggregate		1.8%	6.0%	1.9%	2.7%	4.4%
BC 1-10 Yr TIPS		-1.0%	0.9%	-2.4%	0.0%	2.8%
ML 3M TBill		0.0%	0.0%	0.1%	0.1%	0.1%
BC Hedge Fd Indx		-0.1%	2.9%	6.9%	7.4%	5.4%

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



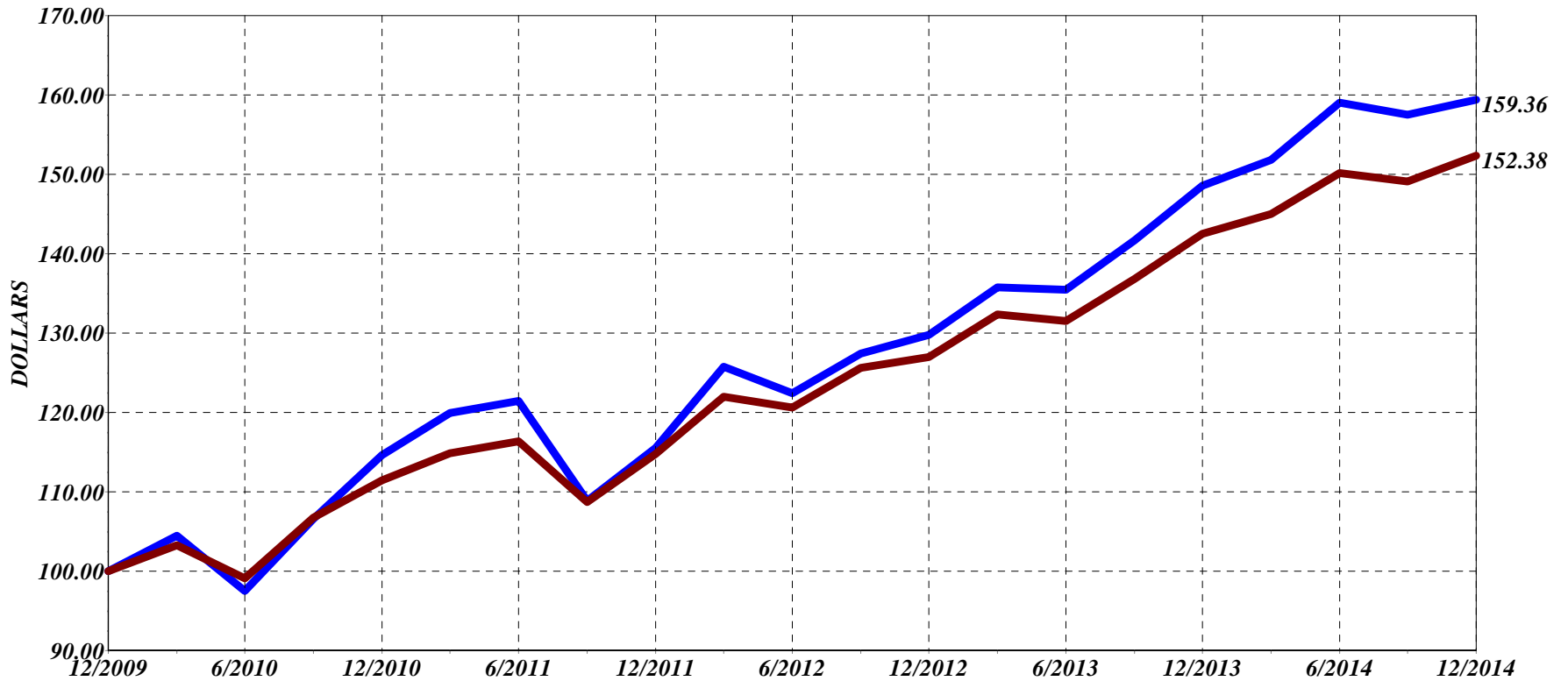
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
 Quartile Ranking  
 Total Fund Versus BNY Mellon Public Funds Universe  
 December 31, 2009 Through December 31, 2014**



	ONE YEAR		THREE YEARS		FIVE YEARS	
	RETURN	RANK	RETURN	RANK	RETURN	RANK
HIGHEST VALUE	11.84		16.16		12.08	
FIRST QUARTILE	7.37		12.85		10.55	
MEDIAN VALUE	6.48		11.62		9.87	
THIRD QUARTILE	5.22		10.23		8.88	
LOWEST VALUE	0.07		0.36		1.46	
MEAN	6.25		10.70		8.98	
MEMBERS	19		19		19	
△ TF	7.29	26	11.31	57	9.77	52
● BENCHMARK	6.96	36	9.91	78	8.79	78



**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Growth of a Dollar Analysis  
December 31, 2009 Through December 31, 2014**

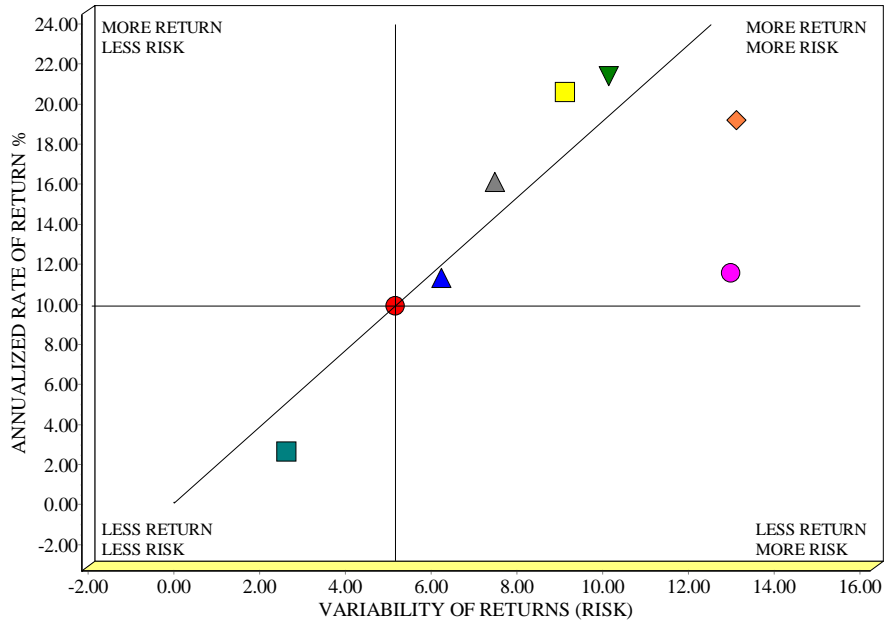


	LATEST QUARTER	ONE YEAR	THREE YEARS	FIVE YEARS
<b>TOTAL FUND</b>	1.16	7.29	11.31	9.77
<b>BENCHMARK</b>	2.20	6.96	9.91	8.79



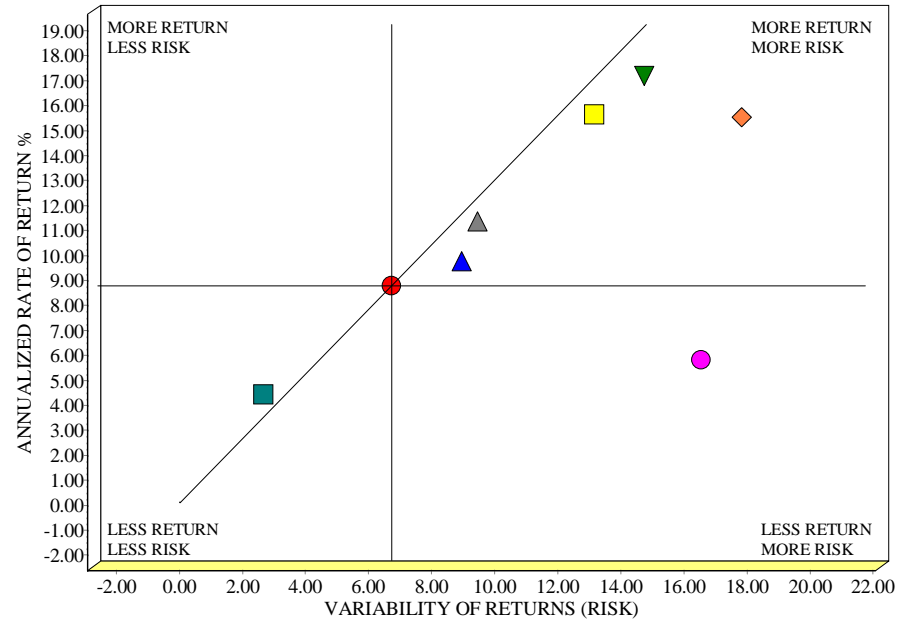
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Capital Market Line  
Period Ending December 31, 2014**

**3-Year Risk/Reward**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	11.31	6.24	1.18	-0.37	95.43
● BENCHMARK	9.91	5.17	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	20.62	9.12	1.00	0.00	100.00
▼ RUSSELL MIDCAP	21.40	10.14	1.00	0.00	100.00
◆ RUSSELL 2000	19.21	13.12	1.00	0.00	100.00
▲ ML CNV X144A ALLQUAL	16.13	7.49	1.00	0.00	100.00
● MSCI GROSS EAFE	11.56	12.99	1.00	0.00	100.00
■ BC AGGREGATE	2.66	2.63	1.00	0.00	100.00

**5-Year Risk/Reward**

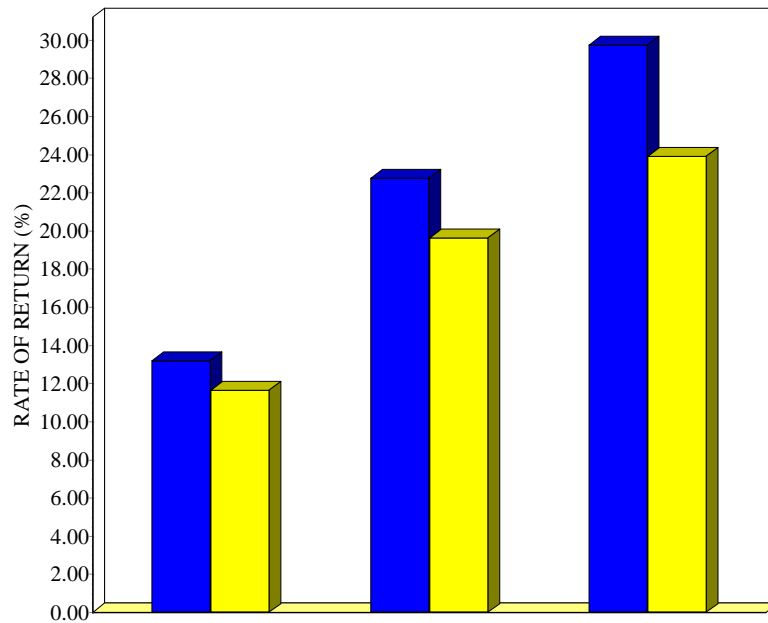


	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	9.77	8.96	1.31	-1.58	96.97
● BENCHMARK	8.79	6.74	1.00	0.00	100.00
■ RUSSELL 1000 INDEX	15.64	13.15	1.00	0.00	100.00
▼ RUSSELL MIDCAP	17.19	14.75	1.00	0.00	100.00
◆ RUSSELL 2000	15.55	17.83	1.00	0.00	100.00
▲ ML CNV X144A ALLQUAL	11.37	9.45	1.00	0.00	100.00
● MSCI GROSS EAFE	5.81	16.56	1.00	0.00	100.00
■ BC AGGREGATE	4.45	2.66	1.00	0.00	100.00



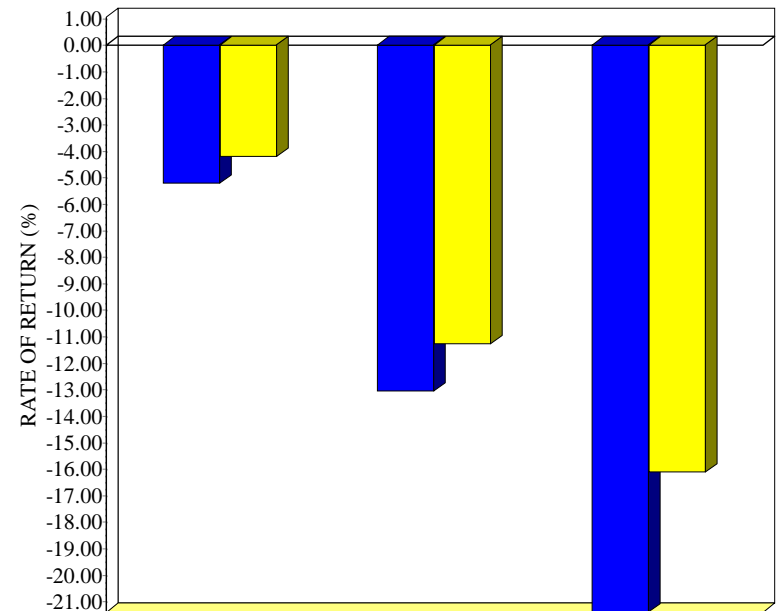
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Performance in Rising and Declining Markets  
December 31, 2009 Through December 31, 2014**

UP MARKET PERFORMANCE



	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	13.19	22.76	29.73
BENCHMARK	11.65	19.62	23.90
DIFFERENCE	1.53	3.13	5.83
RATIO	1.13	1.16	1.24
UP PERIODS	8	27	40

DOWN MARKET PERFORMANCE

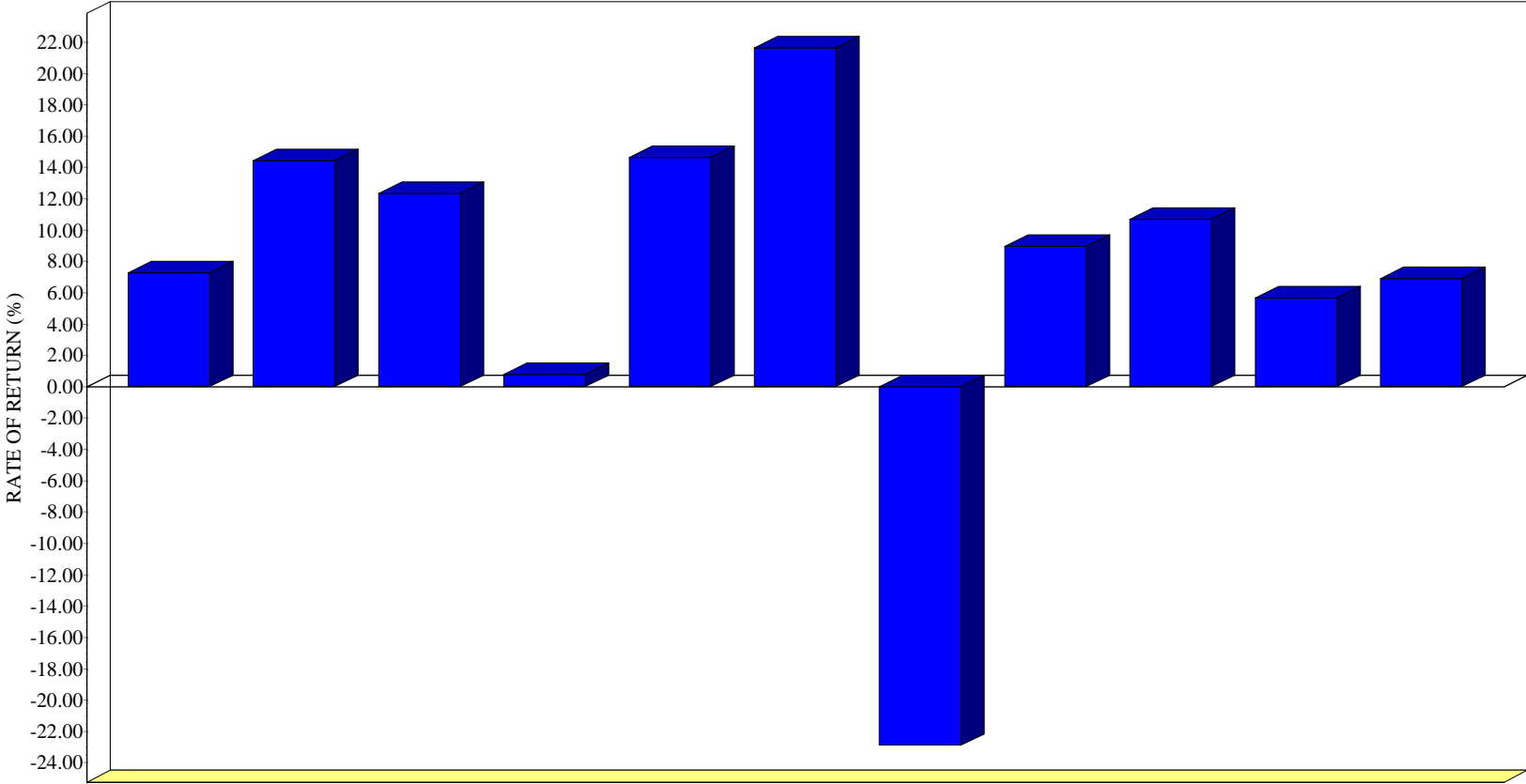


	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-5.21	-13.06	-21.41
BENCHMARK	-4.20	-11.27	-16.13
DIFFERENCE	-1.01	-1.79	-5.28
RATIO	1.24	1.16	1.33
DOWN PERIODS	4	9	20





**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Total Fund  
Fiscal Year Rates of Return  
December 31, 2003 Through December 31, 2014**



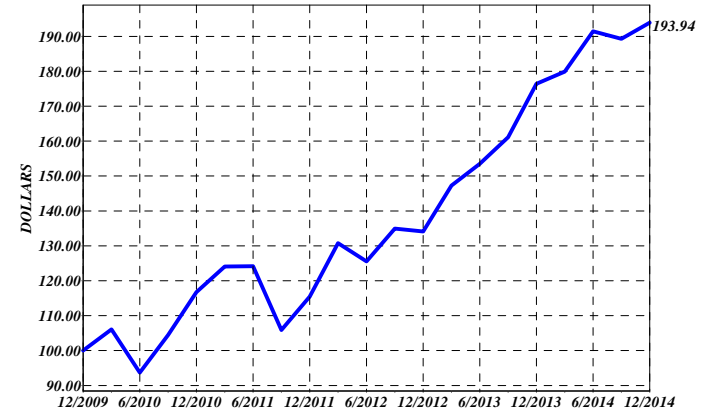
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
TF	7.29	14.44	12.31	0.79	14.66	21.62	-22.92	8.95	10.68	5.68	6.89



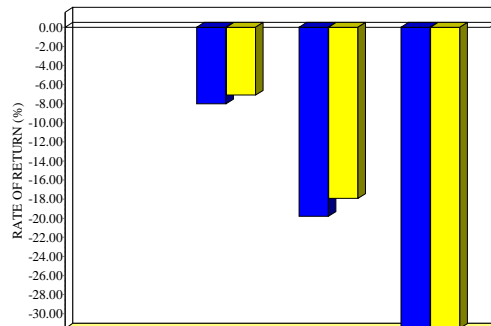
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
CS McKee Large Cap Value  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	9.95	90	1.03	-3.47	8.54	1.16
THREE YEARS	18.87	81	0.99	-1.45	9.47	1.99
FIVE YEARS	14.16	74	0.98	-0.76	13.33	1.06

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
CS MCKEE LARGE CAP VALU	2.44	9.95	18.87	14.16
RUSSELL 1000 VALUE	4.98	13.45	20.89	15.42
EXCESS	-2.54	-3.51	-2.02	-1.26
RISKLESS INDEX	0.00	0.04	0.07	0.09
REAL ROR	3.83	9.19	17.49	12.35

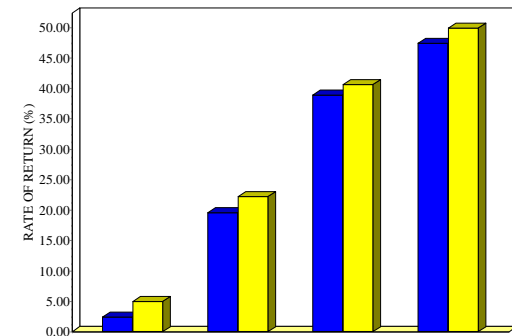


DOWN MARKET PERFORMANCE



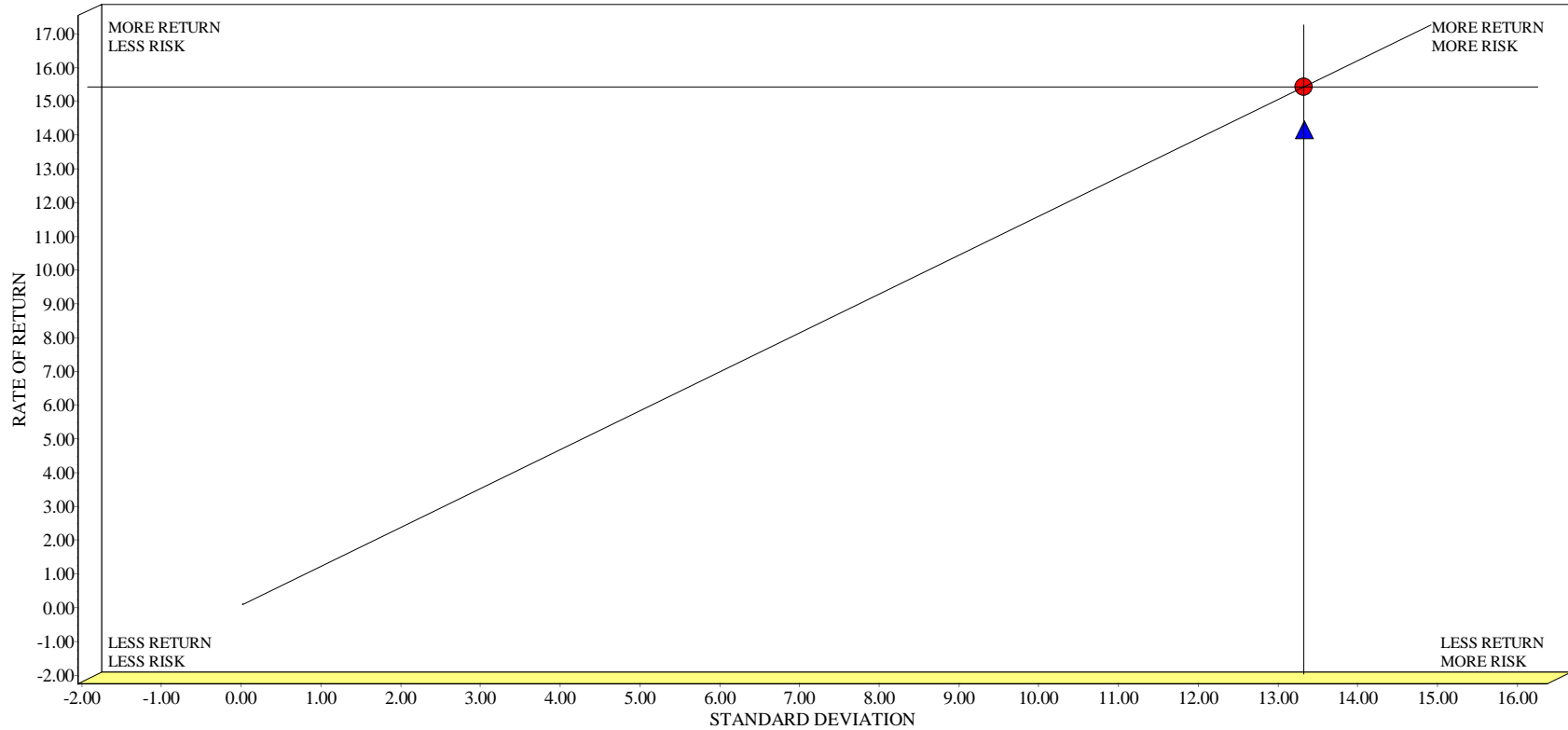
	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
CS MCKEE LARGE CAP VALUE	N/A	-8.07	-19.82	-31.53
RUSSELL 1000 VALUE	N/A	-7.15	-17.94	-31.57
DIFFERENCE	N/A	-0.92	-1.88	0.04
RATIO	N/A	1.13	1.10	1.00
DOWN PERIODS	0	3	9	20

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
CS MCKEE LARGE CAP VALUE	2.44	19.60	38.91	47.42
RUSSELL 1000 VALUE	4.98	22.19	40.61	49.91
DIFFERENCE	-2.54	-2.59	-1.70	-2.49
RATIO	0.49	0.88	0.96	0.95
UP PERIODS	3	9	27	40

**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**CS McKee Large Cap Value**  
**Risk Versus Reward Analysis - 5 Yr.**  
**December 31, 2009 Through December 31, 2014**



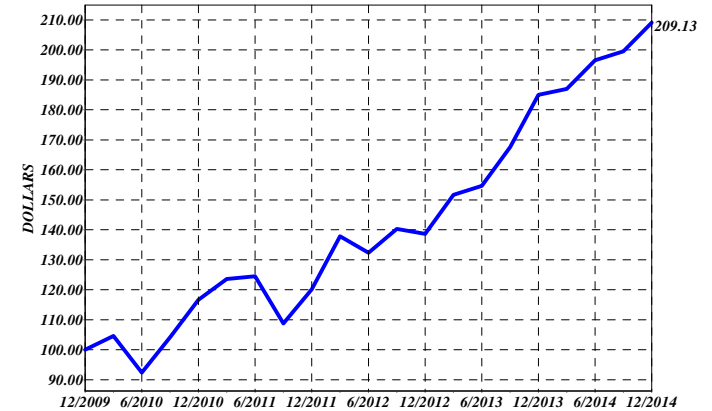
	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ CS MCKEE LARGE CAP VALUE	14.16	13.33	-0.76	0.98	95.40
● RUSSELL 1000 VALUE	15.42	13.32	0.00	1.00	100.00

*The risk benchmark for this analysis is the Russell 1000 Value.*

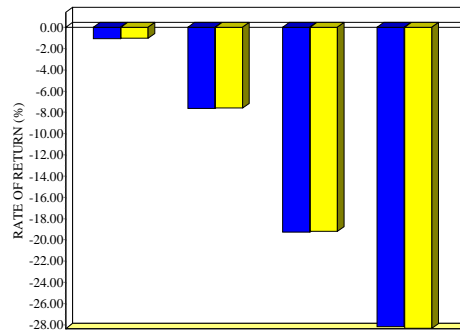
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
iShares Russell 1000 Growth  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	13.05	38	1.00	0.03	8.88	1.47
THREE YEARS	20.30	54	1.01	-0.10	9.68	2.09
FIVE YEARS	15.90	37	1.00	0.10	13.36	1.18

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
ISHARES RUSSELL 1000 GRO	4.83	13.05	20.30	15.90
RUSSELL 1000 GROWTH	4.78	13.05	20.26	15.81
EXCESS	0.04	0.00	0.04	0.09
RISKLESS INDEX	0.00	0.04	0.07	0.09
REAL ROR	6.22	12.21	18.89	14.05

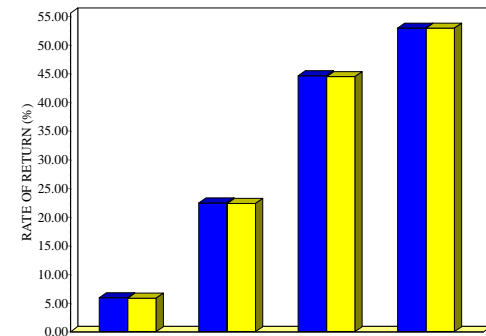


DOWN MARKET PERFORMANCE



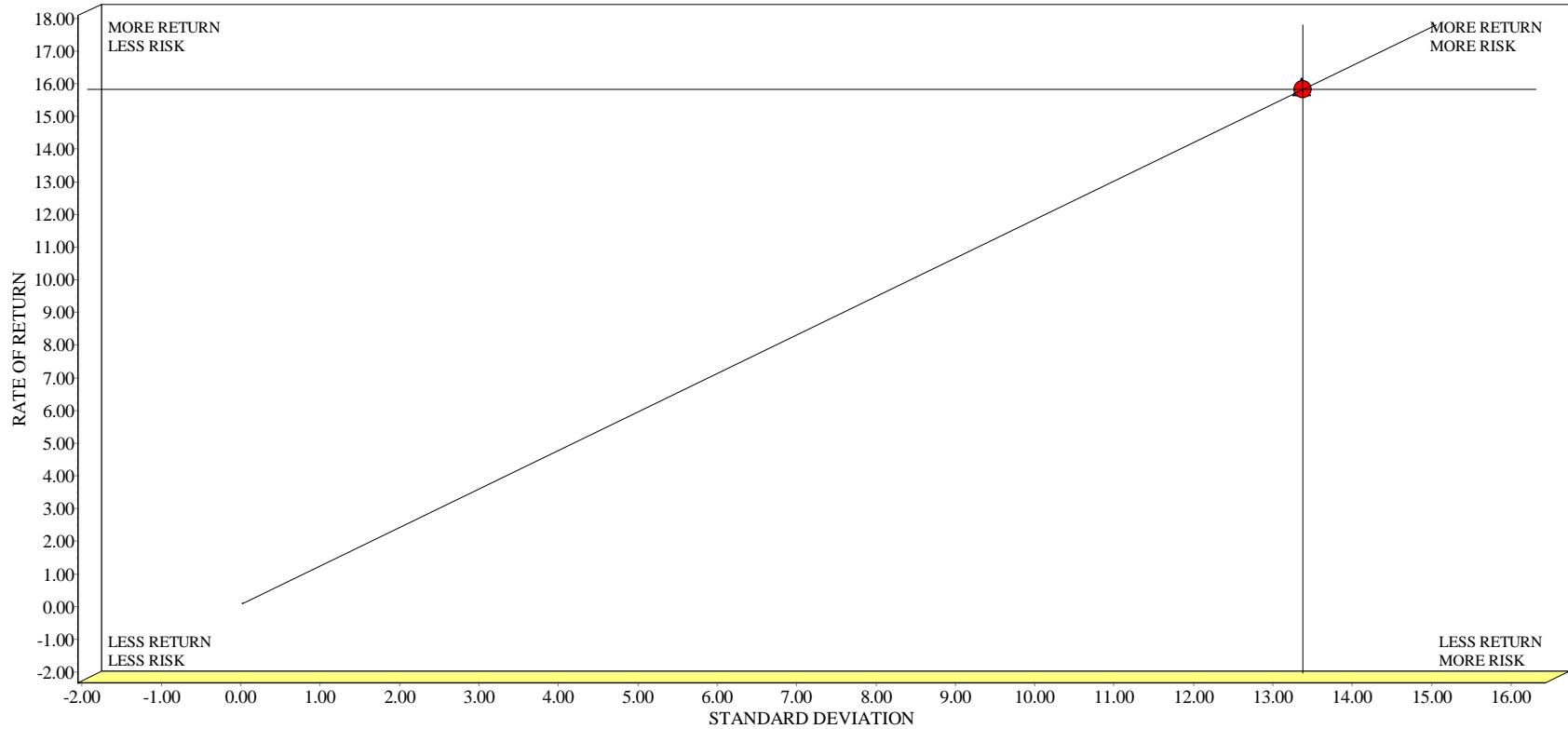
	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
ISHARES RUSSELL 1000 GROWTH	-1.09	-7.67	-19.31	-28.21
RUSSELL 1000 GROWTH	-1.04	-7.65	-19.23	-28.37
DIFFERENCE	-0.05	-0.02	-0.07	0.16
RATIO	1.05	1.00	1.00	0.99
DOWN PERIODS	1	5	11	22

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
ISHARES RUSSELL 1000 GROWTH	5.98	22.45	44.64	52.93
RUSSELL 1000 GROWTH	5.89	22.41	44.51	52.95
DIFFERENCE	0.09	0.03	0.13	-0.02
RATIO	1.02	1.00	1.00	1.00
UP PERIODS	2	7	25	38

**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**iShares Russell 1000 Growth**  
**Risk Versus Reward Analysis - 5 Yr.**  
**December 31, 2009 Through December 31, 2014**



	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ ISHARES RUSSELL 1000 GROWTH	15.90	13.36	0.10	1.00	99.85
● RUSSELL 1000 GROWTH	15.81	13.38	0.00	1.00	100.00

*The risk benchmark for this analysis is the Russell 1000 Growth.*



# SCOUT INVESTMENTS SCOUT MID CAP EQUITY

Address: 928 Grand Boulevard

Kansas City, MO, 64106

Independent Reg. Inv. Advisor

Firm Type: Corporation

Legal Structure: Corporation

Year Founded: 2001

Firm GIPS Compliant: Yes

Firm/Product Assets: \$ 31,187.10 Million / \$ 3,792.62 Million

Firm/Product Accounts: 201 / 10

Parent Company: UMB Financial Corporation

Investment Style: Core Diversified

Market Capitalization: Medium Capitalization (2-7 \$Billion)

Decision Making: Bottom-Up Stock Selection

Portfolio Manager: Mr. Patrick Dunkerley

Manager Tenure: 10/2006

Mgr. Experience: 1994

Product Contact: Ms. Christine Zantny

Phone: 816-391-4102

	Account Size	Annual Fees
Performance Incentive Fee:	No	US\$ 1 Mill
Individual Min Annual Fee:	--	US\$ 5 Mill
Individual Min Account Size:	\$10,000,000	US\$ 10 Mill
Offered As Mutual Funds:	Yes	US\$ 25 Mill
Offered As Commingled Funds:	No	US\$ 50 Mill
Commingled Min Annual Fee:	--	US\$ 100 Mill
Commingled Min Account Size:	--	US\$ 200 Mill
		\$1,325,000

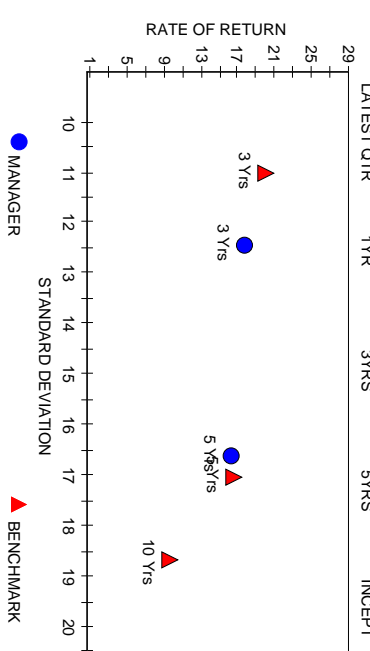
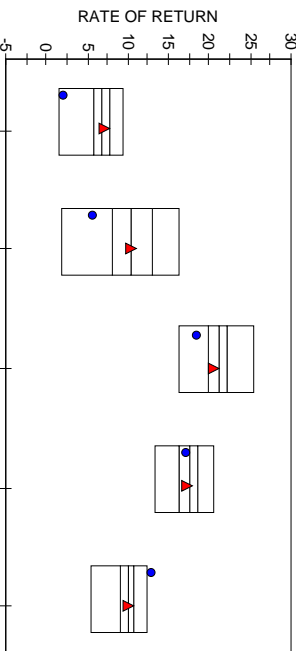
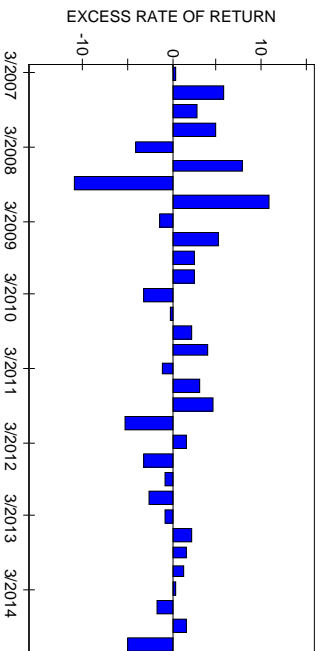
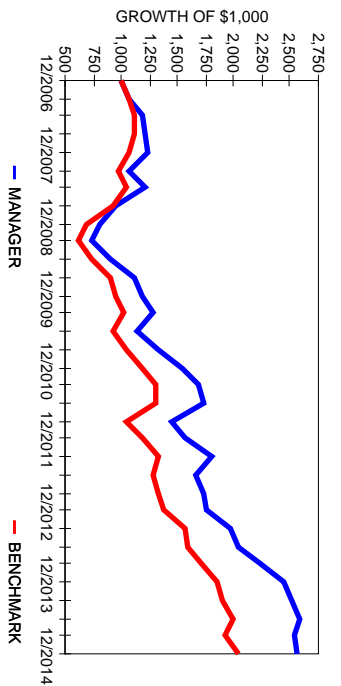
	MRQ	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	Incept
Manager	1.54	5.18	39.22	11.60	1.15	29.44	47.46	-34.11	23.37	--	--	12.49
Benchmark	6.35	9.77	33.50	17.88	-1.73	26.64	37.38	-36.23	7.98	10.32	12.56	9.28
Excess	-4.81	-4.59	5.72	-6.28	2.88	2.80	10.08	2.12	-15.39	--	--	3.21
90 TBILL	0.01	0.03	0.05	0.08	0.06	0.14	0.15	1.27	4.42	4.88	3.30	0.77

PERIOD	ROR	STDEV	ALPHA	BETA	RSQR	TRCKERR	SHARPE	INFORATIO
3 Yrs	17.79	12.45	-2.89	1.06	0.88	4.37	1.42	-0.50
4 Yrs	13.39	14.79	1.19	0.85	0.89	5.38	0.90	-0.14
5 Yrs	16.43	16.64	1.06	0.92	0.90	5.42	0.98	-0.02
6 Yrs	21.10	19.53	1.09	1.01	0.92	5.56	1.08	0.24
7 Yrs	11.02	23.00	1.83	0.98	0.87	8.41	0.47	0.18
8 Yrs	12.49	21.74	3.44	0.98	0.86	8.25	0.54	0.39
9 Yrs	--	--	--	--	--	--	--	--
10 Yrs	--	--	--	--	--	--	--	--
Inception	12.49	21.74	3.44	0.98	0.86	8.25	0.54	0.39

Materials	%	Equity Characteristics: 12/2014	%
Beta(5 Year)	3.21	Dividend Yield	1.02
Energy	3.40	5 Year EPS Growth	1.15
Consumer Staples	7.47	Price/Book	15.93
Consumer Discretionary	23.16	P/E (Proj next 12 mtrs)	2.49
Industrials	11.25	Return on Equity	14.40
Utilities	9.30	Market Capitalization:	18.36
Health Care	10.68	Wght Avg (\$ MM)	9832.63
Information Technology	15.48	Median (\$ MM)	7534.86
Telecommunications Services	--	Debt/Equity	0.85
Financials	15.36	Ann Fiscal YTD Turnover	158.37
Cash	0.69	SEC-30-Day Yield	--
Other	--		--

Ten Largest Holdings: 12/2014	%	Firm Representative Client List
ATMOS ENERGY CORP COM	4.38	Confidential
HARTFORD FINANCIAL SVCS	3.93	--
DTE ENERGY COMPANY COM	3.81	--
COMPUTER SCIENCES CORP	3.49	--
KEYCORP	3.20	--
LINCOLN NATIONAL CORP	2.31	--
TRW AUTOMOTIVE HLDGS COM	1.92	--
COMPASS MINERALS INT COM	1.89	--
DAVITA HEALTHCARE	1.66	--
EXELIS INC COM	1.61	--

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PERIOD	MANAGER	BENCHMARK	EXCESS	MANAGER	BENCHMARK	PREMIUM
1 Yr	5.18	9.77	-4.59	\$1,052	\$1,098	-\$46
2 Yrs	21.01	21.05	-0.05	\$1,464	\$1,465	-\$1
3 Yrs	17.79	19.99	-2.20	\$1,634	\$1,727	-\$93
4 Yrs	13.39	14.14	-0.76	\$1,653	\$1,697	-\$45
5 Yrs	16.43	16.54	-0.11	\$2,139	\$2,150	-\$10
6 Yrs	21.10	19.78	1.32	\$3,155	\$2,953	\$201
7 Yrs	11.02	9.46	1.55	\$2,079	\$1,883	\$195
8 Yrs	12.49	9.28	3.21	\$2,564	\$2,034	\$531
9 Yrs	--	9.39	--	--	\$2,243	--
10 Yrs	--	9.71	--	--	\$2,525	--
Inception	12.49	9.28	3.21	\$2,564	\$2,034	\$531

PERIODS ENDING: DECEMBER 31, 2014, SINCE INCEPTION; DECEMBER 31, 2006  
BENCHMARK: S&P 400 MID CAP, UNIVERSE: PSN MID CAP CORE  
ALL PERFORMANCE USING GROSS OF FEES

\* SEE SECOND PAGE FOR DISCLAIMER



## SCOUT INVESTMENTS SCOUT MID CAP EQUITY

Equity Personnel	Total	Firm Personnel	Total
Portfolio Managers	3	Portfolio Managers	21
Research Analysts	6	Research Analysts	18
Traders	2	Traders	2
Marketing	19	Marketing	27
Total Equity	3	Client Service	7

**EQUITY INVESTMENT PHILOSOPHY** - The investment philosophy of the Scout Mid Cap Equity strategy since is that superior long-term, risk-adjusted relative performance can be achieved through a portfolio of attractively-valued, quality companies that are expected to benefit from company-specific or macroeconomic catalysts. To accomplish this, the management team incorporates a combination of top-down and bottom-up analysis to construct a diversified portfolio of 50-100 securities with attractive fundamentals and valuations. They invest primarily in mid cap companies with a market cap range between \$1.5 and \$17 billion, a range that approximates the market capitalization of the strategy's benchmark, the Russell Midcap Index. The management style is categorized as "mid cap core." The Strategy's investment philosophy has not changed since its inception on 12/31/2006.

**INVESTMENT DECISION-MAKING PROCESS** - The Scout Mid Cap Equity portfolio management team combines focused bottom-up analysis with a detailed top-down overlay of economic and sentiment indicators. A disciplined bottom-up fundamental research process is conducted on companies that are likely to benefit from prevailing sector or industry themes, with particular attention paid to cash flow, financial strength, profitability, potential or actual catalysts, valuation measures and management quality. The top-down approach monitors over 100 proprietary economic and sentiment indicators on a weekly basis in order to assess the investment climate. This data is supplemented by analysis from Scout's own research department, outside research services, and news to generate secular investment themes that guide sector allocations and choice of preferred industries. Quantitative screens may be used as an additional resource in the idea generation process. When evaluating an individual security, the team begins with a critical analysis of a company's financial statements, continues with the determination of its intrinsic value, uncovers the catalyst for appreciation, and finally assesses company specific risk. 1) They begin with an evaluation of the company's cash flow statement, as the team believe that it is one of the more useful financial statements. This evaluation aids in the determination of the company's true profitability as well as their sources of growth, either organic growth or growth generated by strategic acquisitions. Consistency, growth rates, and sources of cash flow are examined, with special attention paid to the presence or absence of free cash flow. This step also serves as a first check on accounting quality, as the ratio of operating cash flow to net income can be measured, and the frequency of one time charges can be observed. Companies with poor cash flow characteristics are usually rejected. 2) The balance sheet is examined in light of the cash flow

statement, as they believe that strong cash flows support the balance sheet. Companies with leverage greater than five times debt-to-cash flow or poor interest coverage ratios are usually rejected. In addition to the degree of leverage, the team considers other factors including the term structure of debt, liquidity events, and debt covenants. 3) An analysis of the income statement is completed, with particular attention paid to the history of operating margins, as they prefer companies with a ten year history. From this analysis, the team estimates normalized earnings for use in the proprietary valuation model. They usually reject companies with deteriorating operating margins, unless they are convinced the downturn is temporary. 4) To determine a company's intrinsic value, the team utilizes a proprietary discounted earnings model with customized inputs. These inputs include the normalized earnings calculated from the analysis of the income statement, proprietary discount rates, and the estimated growth potential of the company. In addition, the model is adjusted for the company's industry and risk-adjusted for cyclicality. The valuation model is a powerful tool in measuring a security's upside potential. 5) Relative valuation is also important to the valuation process and is particularly useful for the assessment of downside risk. Price-to-book, price-to-earnings, and enterprise value are the most common relative valuation measures used. 6) Following the valuation analysis, the team uncovers a company's catalyst for appreciation. Catalysts may be company-specific or top-down in nature, and may include a change in management, new market, or technology change. 7) Company-specific risk evaluation includes several factors, one of which is accounting quality. A review of revenue recognition and accounting policies is conducted to determine possible earnings volatility. 8) Management quality is also an important variable in a company's success. The review includes the management team's experience, accomplishments, success in product innovation, and their incentive structures. 9) Other risk factors the team examines are litigation risks, insider trading, short interest, and technical analysis. 10) Portfolio sector weights are influenced and adjusted as shifts occur in valuation, themes, and fundamentals. In addition, they normally keep forward looking ex-ante tracking error in the 3.0 to 8.0 range.

**ORGANIZATION AND OWNERSHIP** - Scout Investments, Inc., headquartered in Kansas City, Mo., manages equity and fixed income strategies for institutional clients and individual investors through our Scout and Reams Asset Management divisions. Scout Investments is a wholly owned subsidiary of UMB Financial, a multi-billion dollar diversified financial services company with roots tracing back to 1913. UMB Financial Corp. developed mutual fund solutions for customers with the inception of the Scout Stock Fund and the Scout Bond Fund in 1982 and the Scout International Fund in 1993. In 2001, Scout Investment Advisors, then a subsidiary of UMB Bank, registered with the SEC as an investment advisor, for the purpose of managing the Scout Funds. In 2009, Scout Investment Advisors transitioned from UMB Bank and became a subsidiary of UMB

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## SCOUT INVESTMENTS SCOUT MID CAP EQUITY

Financial Corp. In 2010, Scout Investment Advisors expanded its focus to include multiple fixed income solutions through the acquisition of Reams Asset Management Company. With this acquisition, Scout Investment Advisors was renamed Scout Investments. Since its inception in 1981, Reams has focused on the management of core plus fixed income portfolios for institutional clients. At the request of Reams' clients, Reams added the core fixed income product in 1992, intermediate in 1989, high yield/absolute return in 1998, low duration and long duration in 2002, and a TIPS-only mandate in 2004. Today, Scout Investments offers a wide array of equity and fixed income solutions through mutual funds and separate accounts. The firm's expertise with international equity and fixed income income has been nationally recognized and is the cornerstone of its value proposition. The following companies have a relationship with Scout that is material to our advisory business: UMB Financial Corporation; Scout Distributors, LLC; Scout Funds; the Columbus Extended Market Fund, LLC; UMB Bank, n.a.; UMB Fund Services, Inc.; UMB Distribution Services, LLC; and Prairie Capital Management, LLC.

Offered WRAP/TAMP Program:

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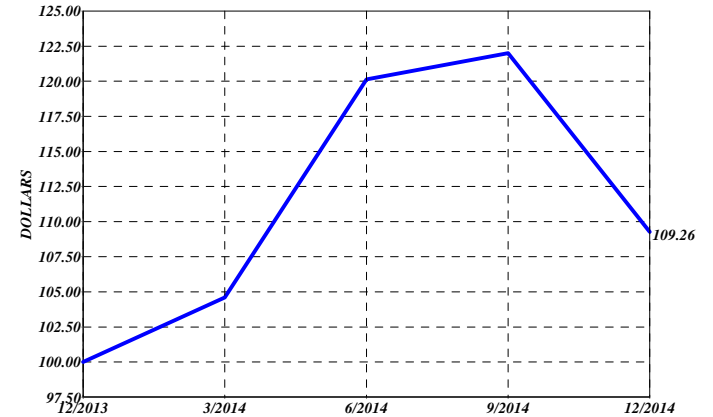
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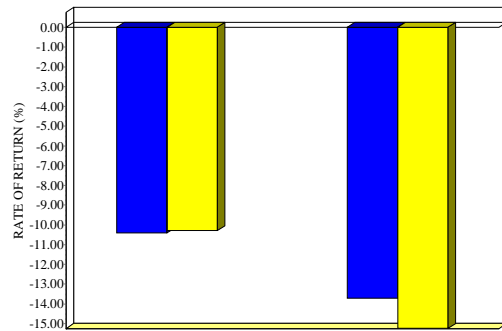
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Westwood MLP  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	9.26	0.97	1.82	14.11	0.65

	QTD	ONE YEAR
TOTAL FUND	-10.44	9.26
ALERIAN MLP INFRSTRU	-10.30	7.62
EXCESS	-0.14	1.64
RISKLESS INDEX	0.00	0.04
REAL ROR	-9.13	8.59

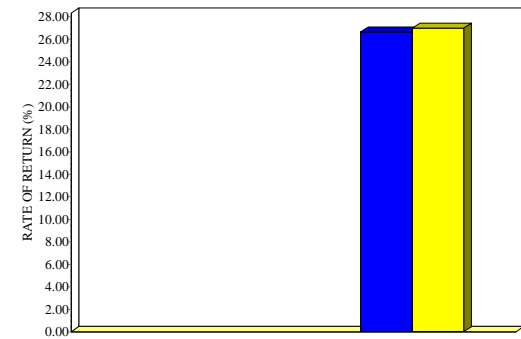


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR
TOTAL FUND	-10.44	-13.73
ALERIAN MLP INFRSTRU	-10.30	-15.25
DIFFERENCE	-0.14	1.52
RATIO	1.01	0.90
DOWN PERIODS	3	6

UP MARKET PERFORMANCE

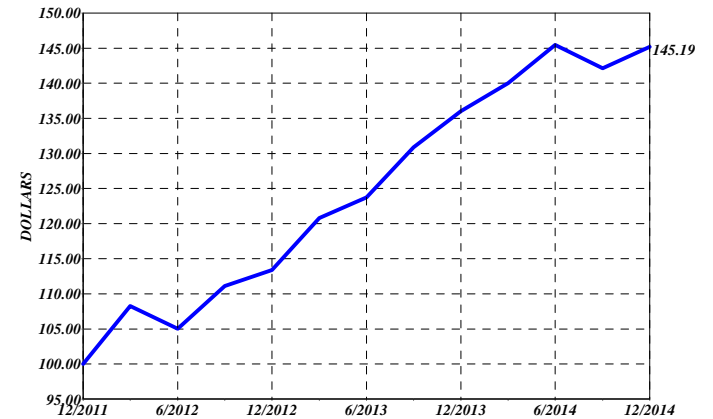


	QTD	ONE YEAR
TOTAL FUND	N/A	26.65
ALERIAN MLP INFRSTRU	N/A	26.99
DIFFERENCE	N/A	-0.33
RATIO	N/A	0.99
UP PERIODS	0	6

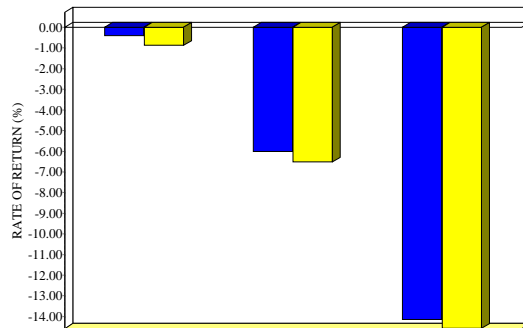
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Advent Convertibles  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	6.73	58	0.86	-1.47	6.37	1.05
THREE YEARS	13.23	45	0.90	-1.12	6.92	1.90

	QTD	ONE YEAR	THREE YEARS
ADVENT CONVERTIBLES	2.15	6.73	13.23
ML CNV X144A ALLQUAL	1.35	9.67	16.13
EXCESS	0.80	-2.94	-2.89
RISKLESS INDEX	0.00	0.04	0.07
REAL ROR	3.54	5.99	11.88

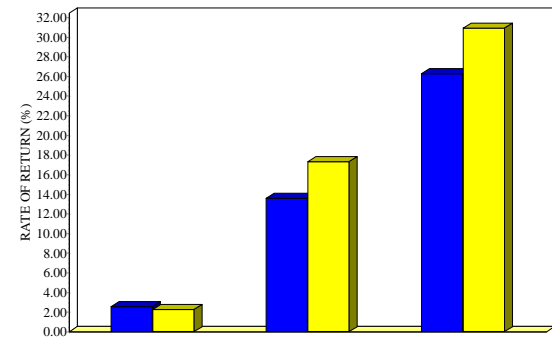


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS
ADVENT CONVERTIBLES	-0.43	-6.03	-14.16
ML CNV X144A ALLQUAL	-0.89	-6.53	-14.59
DIFFERENCE	0.46	0.50	0.43
RATIO	0.48	0.92	0.97
DOWN PERIODS	1	4	9

UP MARKET PERFORMANCE

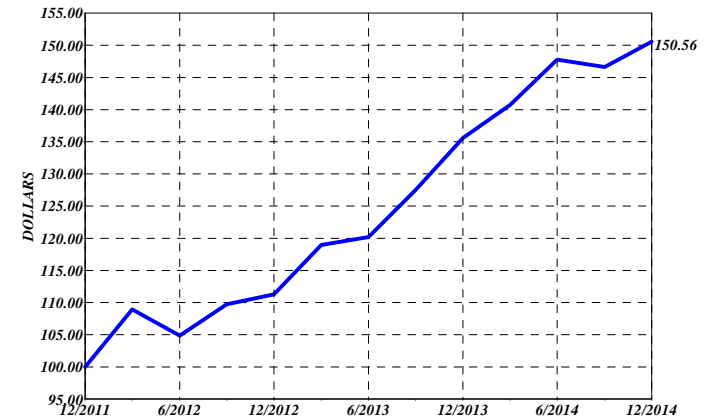


	QTD	ONE YEAR	THREE YEARS
ADVENT CONVERTIBLES	2.59	13.58	26.31
ML CNV X144A ALLQUAL	2.26	17.33	30.92
DIFFERENCE	0.33	-3.75	-4.61
RATIO	1.15	0.78	0.85
UP PERIODS	2	8	27

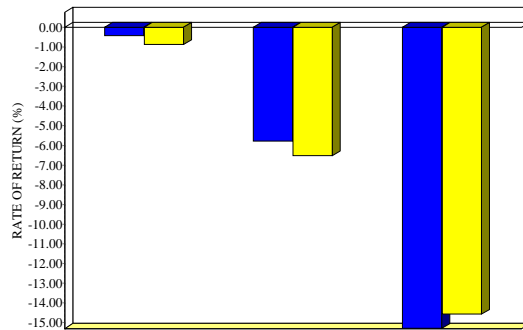
**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**SSI Convertibles**  
**Performance Profile**  
**Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	11.07	12	0.97	1.54	7.11	1.55
THREE YEARS	14.61	25	0.99	-1.24	7.57	1.92

	QTD	ONE YEAR	THREE YEARS
SSI CONVERTIBLES	2.68	11.07	14.61
ML CNV X144A ALLQUAL	1.35	9.67	16.13
EXCESS	1.33	1.40	-1.51
RISKLESS INDEX	0.00	0.04	0.07
REAL ROR	4.08	10.31	13.25

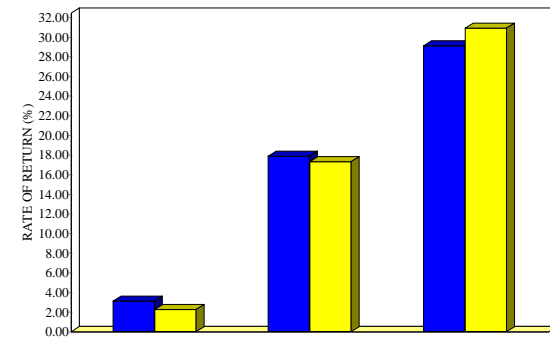


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS
SSI CONVERTIBLES	-0.44	-5.79	-15.31
ML CNV X144A ALLQUAL	-0.89	-6.53	-14.59
DIFFERENCE	0.45	0.74	-0.72
RATIO	0.50	0.89	1.05
DOWN PERIODS	1	4	9

UP MARKET PERFORMANCE

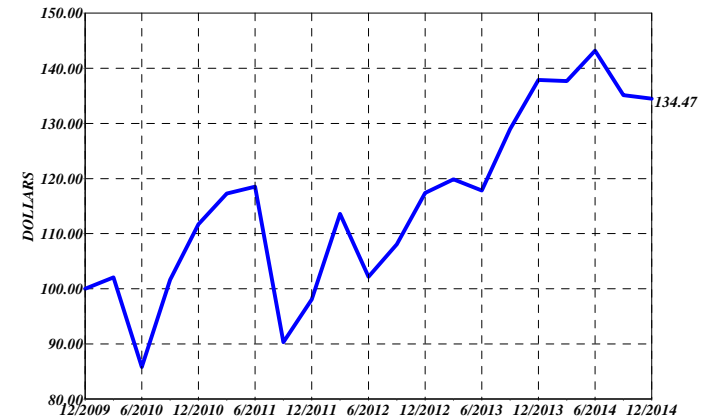


	QTD	ONE YEAR	THREE YEARS
SSI CONVERTIBLES	3.14	17.89	29.14
ML CNV X144A ALLQUAL	2.26	17.33	30.92
DIFFERENCE	0.88	0.56	-1.78
RATIO	1.39	1.03	0.94
UP PERIODS	2	8	27

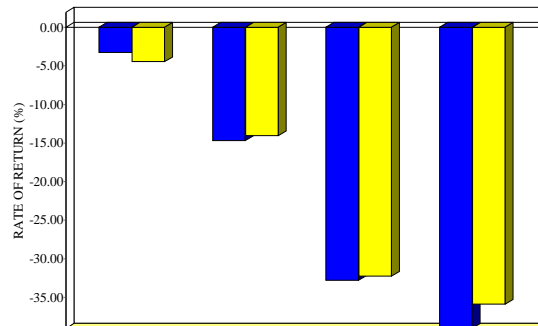
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Fisher International  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	-2.48	38	1.02	1.12	10.43	-0.24
THREE YEARS	11.09	50	1.03	1.33	13.60	0.81
FIVE YEARS	6.10	52	1.13	0.81	18.93	0.32

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
FISHER INTERNATIONAL	-0.49	-2.48	11.09	6.10
MSCI AC WRLD X US	-3.81	-3.44	9.49	4.89
EXCESS	3.33	0.96	1.60	1.21
RISKLESS INDEX	0.00	0.04	0.07	0.09
REAL ROR	0.91	-3.15	9.75	4.36

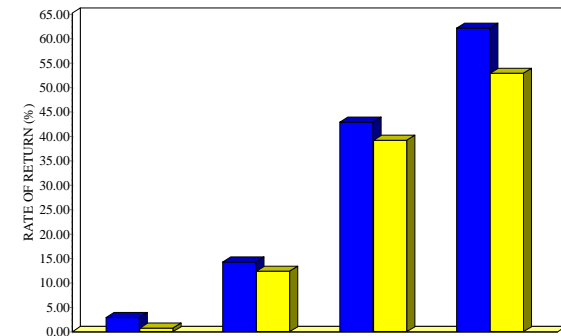


DOWN MARKET PERFORMANCE



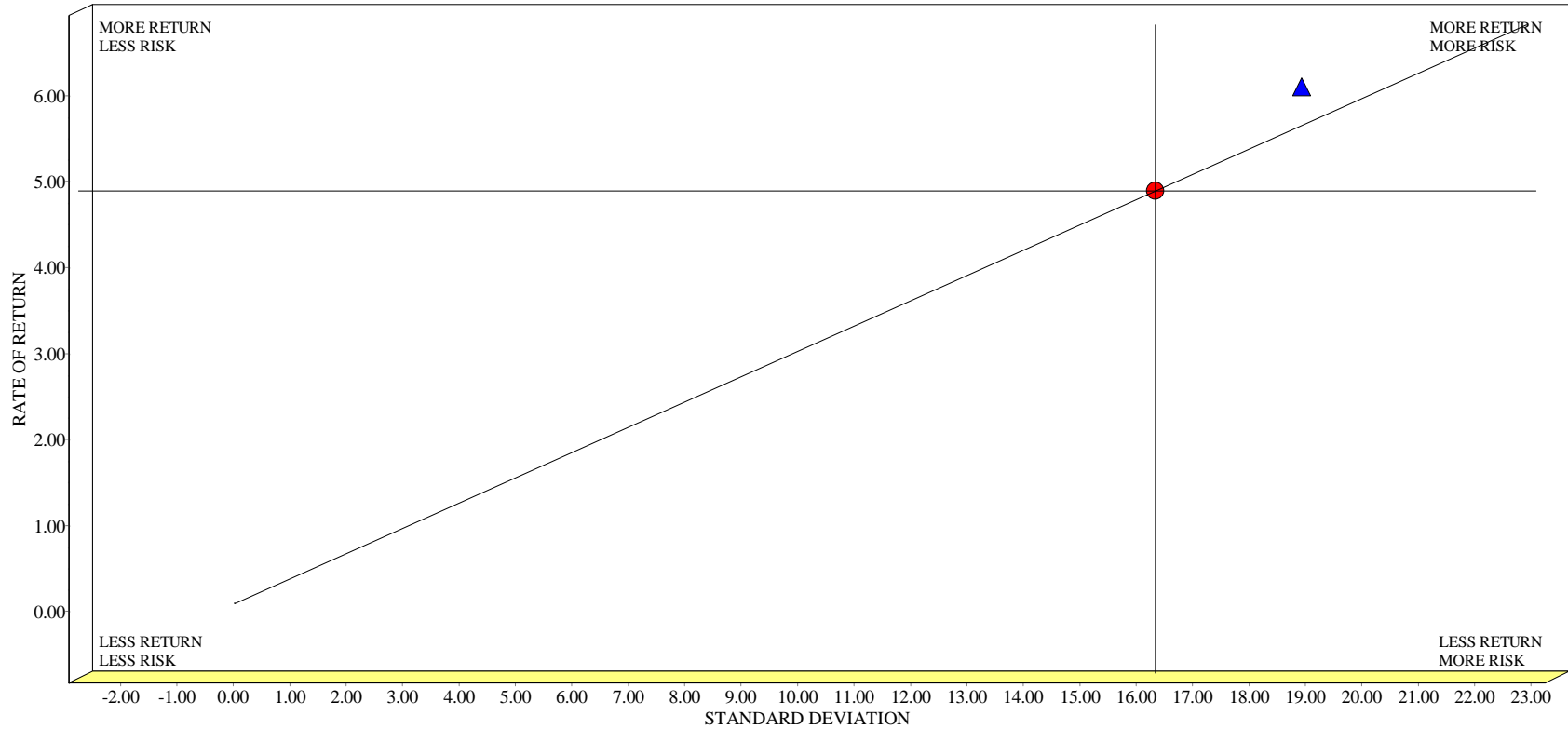
	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
FISHER INTERNATIONAL	-3.28	-14.71	-32.86	-39.07
MSCI AC WRLD X US	-4.52	-14.07	-32.28	-35.95
DIFFERENCE	1.23	-0.65	-0.57	-3.12
RATIO	0.73	1.05	1.02	1.09
DOWN PERIODS	2	5	12	26

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
FISHER INTERNATIONAL	2.89	14.35	42.89	62.15
MSCI AC WRLD X US	0.74	12.37	39.22	52.94
DIFFERENCE	2.15	1.97	3.68	9.20
RATIO	3.93	1.16	1.09	1.17
UP PERIODS	1	7	24	34

**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Fisher International  
Risk Versus Reward Analysis - 5 Yr.  
December 31, 2009 Through December 31, 2014**



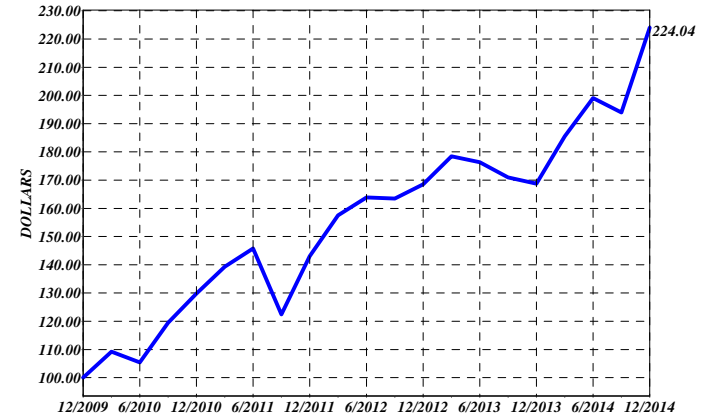
	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ FISHER INTERNATIONAL	6.10	18.93	0.81	1.13	95.66
● MSCI AC WRLD X US	4.89	16.34	0.00	1.00	100.00

The risk benchmark for this analysis is the MSCI AC Wrlld X US.

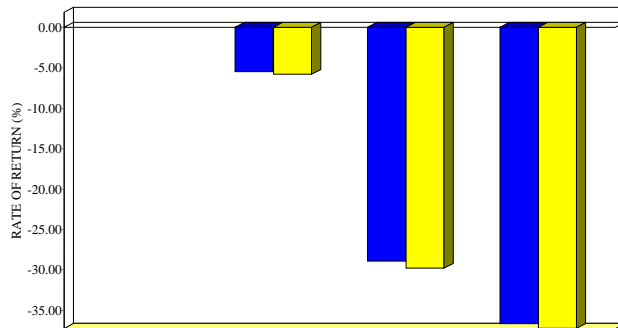
**Palm Tran, Inc./ATU Local 1577 Pension Fund**  
**RREEF REIT**  
**Performance Profile**  
**Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	32.80	1	0.98	1.31	12.32	2.66
THREE YEARS	16.13	14	0.98	0.06	12.88	1.25
FIVE YEARS	17.51	3	1.00	0.22	16.72	1.04

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
RREEF REIT	15.49	32.80	16.13	17.51
WILSHIRE REIT	15.14	31.79	16.44	17.27
EXCESS	0.35	1.01	-0.32	0.24
RISKLESS INDEX	0.00	0.04	0.07	0.09
REAL ROR	16.88	31.83	14.71	15.61

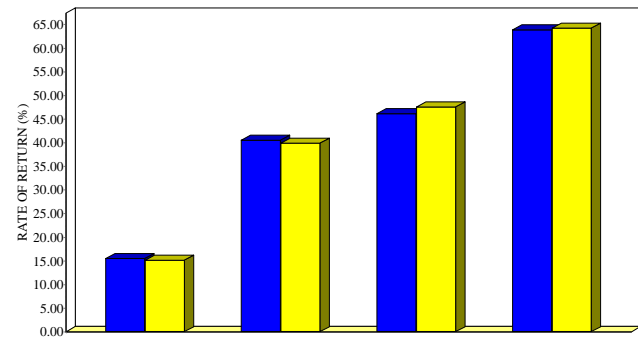


DOWN MARKET PERFORMANCE



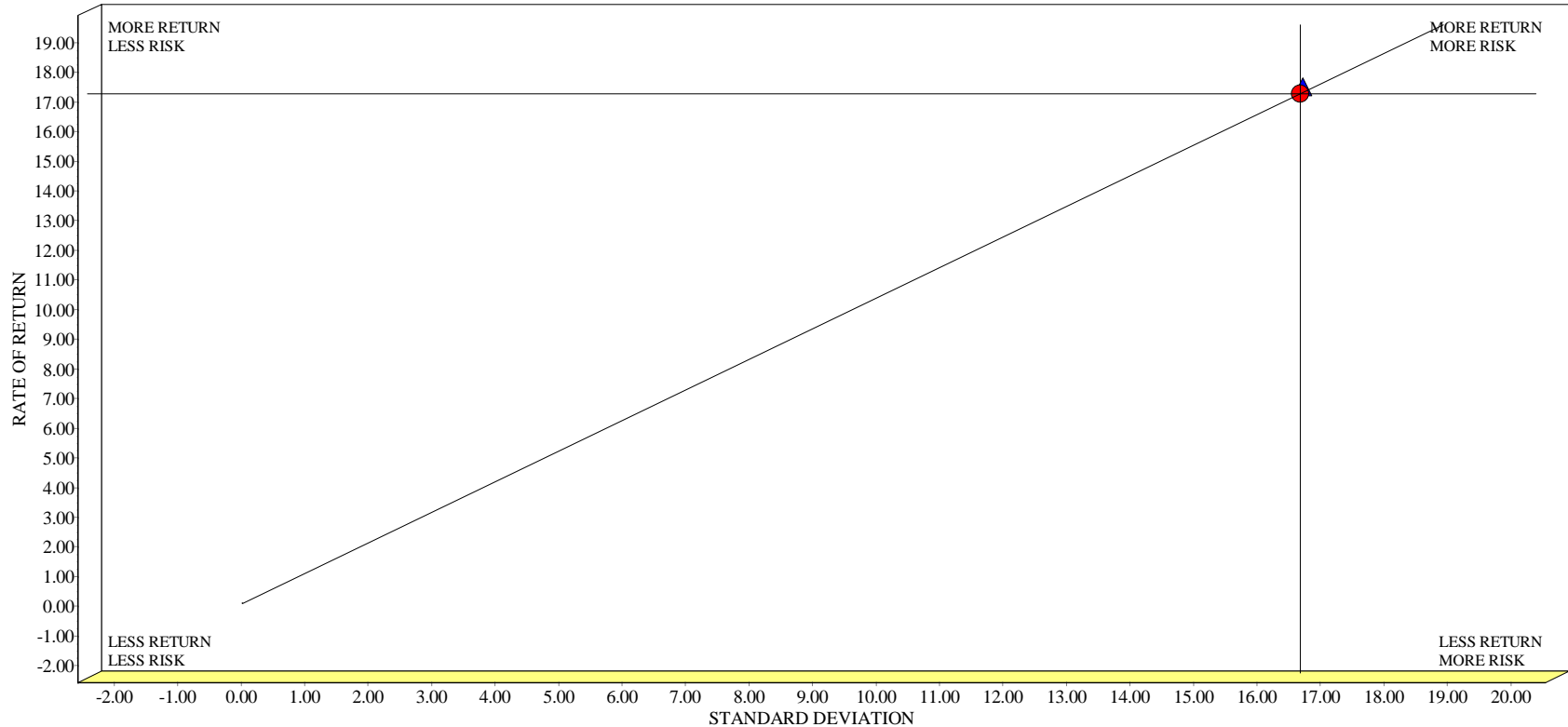
	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
RREEF REIT	N/A	-5.52	-28.96	-36.68
WILSHIRE REIT	N/A	-5.83	-29.80	-37.26
DIFFERENCE	N/A	0.31	0.84	0.58
RATIO	N/A	0.95	0.97	0.98
DOWN PERIODS	0	1	11	21

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
RREEF REIT	15.49	40.56	46.15	63.93
WILSHIRE REIT	15.14	39.95	47.56	64.24
DIFFERENCE	0.35	0.61	-1.41	-0.31
RATIO	1.02	1.02	0.97	1.00
UP PERIODS	3	11	25	39

**Palm Tran, Inc./ATU Local 1577 Pension Fund  
RREEF REIT  
Risk Versus Reward Analysis - 5 Yr.  
December 31, 2009 Through December 31, 2014**



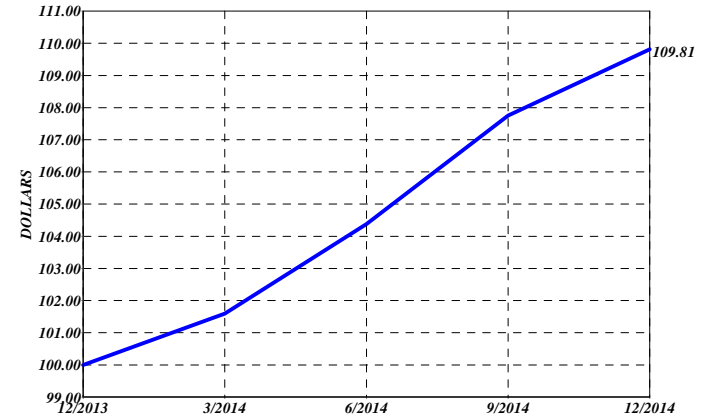
	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ RREEF REIT	17.51	16.72	0.22	1.00	99.41
● WILSHIRE REIT	17.27	16.69	0.00	1.00	100.00

*The risk benchmark for this analysis is the Wilshire REIT.*

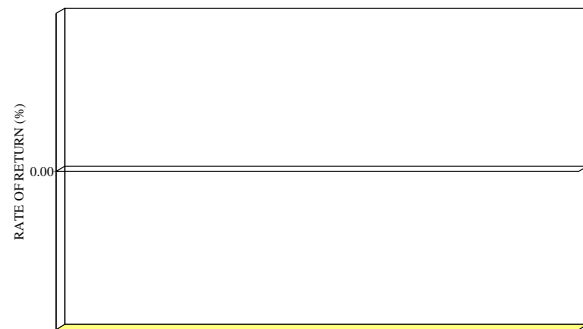
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Cornerstone Private RE  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	9.81	0.80	-0.08	4.08	2.39

	QTD	ONE YEAR
TOTAL FUND	1.91	9.81
NCREIF ODCE	3.26	12.49
EXCESS	-1.35	-2.68
RISKLESS INDEX	0.00	0.04
REAL ROR	3.33	9.05

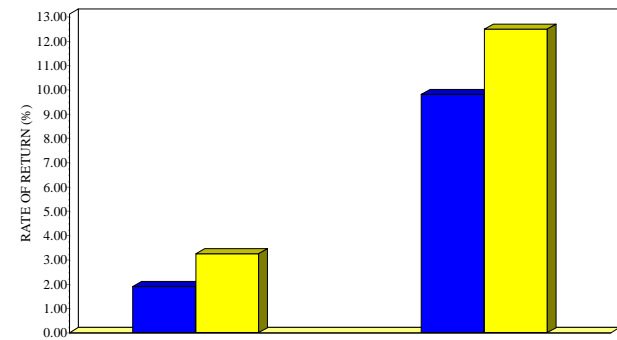


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR
TOTAL FUND	N/A	N/A
NCREIF ODCE	N/A	N/A
DIFFERENCE	N/A	N/A
RATIO	N/A	N/A
DOWN PERIODS	0	0

UP MARKET PERFORMANCE



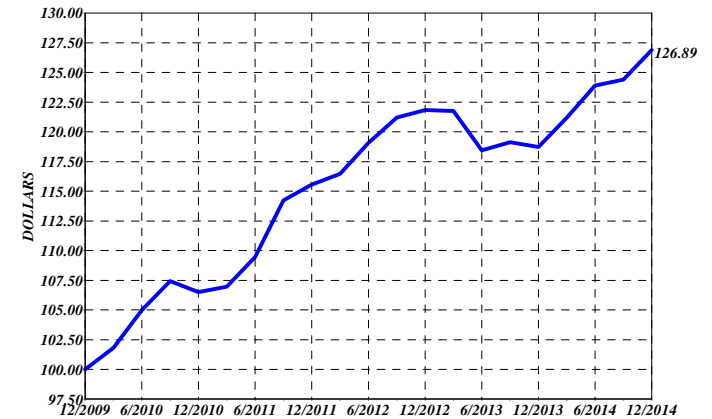
	QTD	ONE YEAR
TOTAL FUND	1.91	9.81
NCREIF ODCE	3.26	12.49
DIFFERENCE	-1.35	-2.68
RATIO	0.59	0.79
UP PERIODS	3	12



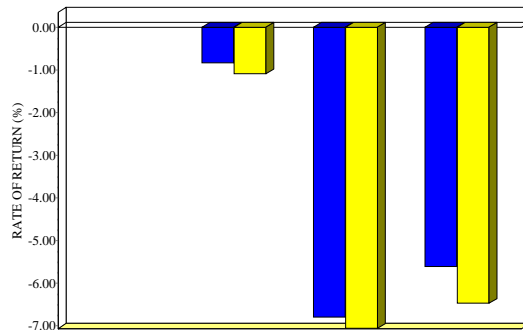
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Galliard Fixed Income  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	UNIVERSE RANKING	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	6.89	16	1.01	0.80	2.27	3.02
THREE YEARS	3.17	52	1.04	0.40	2.77	1.12
FIVE YEARS	4.88	47	0.97	0.54	2.66	1.80

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
GALLIARD FIXED INCOME	2.00	6.89	3.17	4.88
BC AGGREGATE	1.79	5.97	2.66	4.45
EXCESS	0.20	0.92	0.51	0.43
RISKLESS INDEX	0.00	0.04	0.07	0.09
REAL ROR	3.39	6.12	1.85	3.15

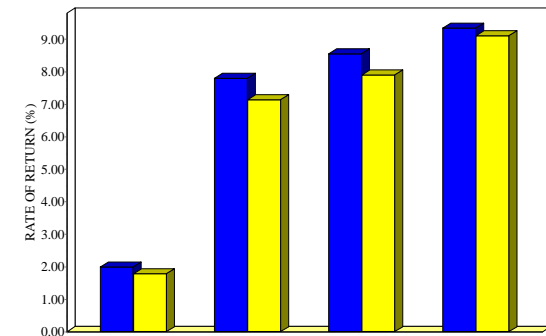


DOWN MARKET PERFORMANCE



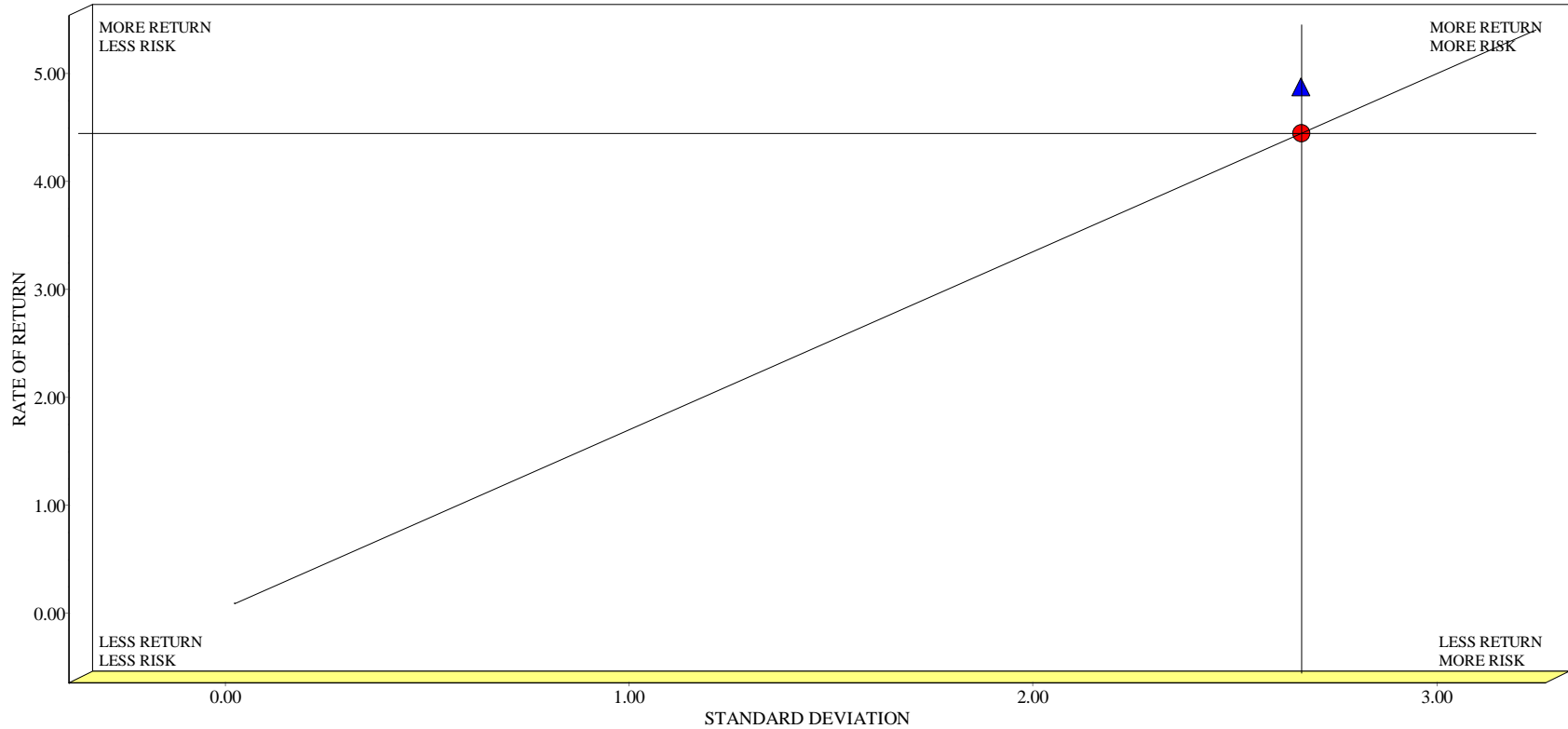
	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
GALLIARD FIXED INCOME	N/A	-0.84	-6.80	-5.62
BC AGGREGATE	N/A	-1.10	-7.07	-6.48
DIFFERENCE	N/A	0.25	0.27	0.87
RATIO	N/A	0.77	0.96	0.87
DOWN PERIODS	0	3	12	17

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
GALLIARD FIXED INCOME	2.00	7.80	8.55	9.34
BC AGGREGATE	1.79	7.14	7.90	9.11
DIFFERENCE	0.20	0.66	0.65	0.23
RATIO	1.11	1.09	1.08	1.02
UP PERIODS	3	9	24	43

**Palm Tran, Inc./ATU Local 1577 Pension Fund  
 Galliard Fixed Income  
 Risk Versus Reward Analysis - 5 Yr.  
 December 31, 2009 Through December 31, 2014**



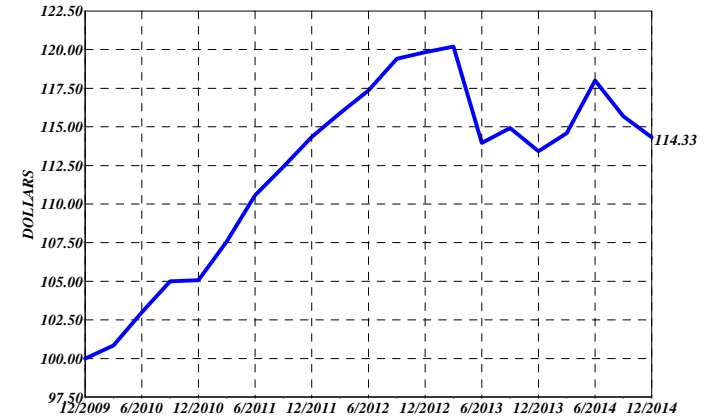
	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ GALLIARD FIXED INCOME	4.88	2.66	0.54	0.97	94.16
● BC AGGREGATE	4.45	2.66	0.00	1.00	100.00

*The risk benchmark for this analysis is the BC Aggregate.*

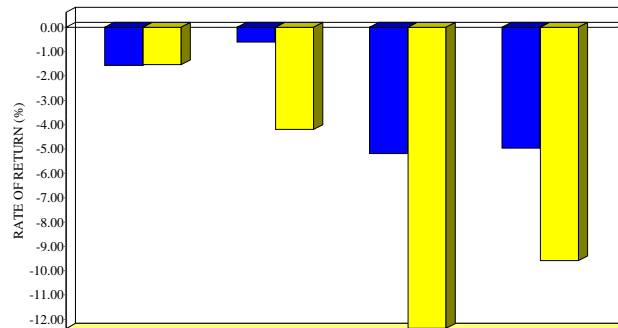
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Galliard TIPS  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	0.80	0.43	0.50	4.92	0.16
THREE YEARS	-0.01	0.56	0.03	4.85	-0.02
FIVE YEARS	2.71	0.72	0.74	4.36	0.60

	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-1.17	0.80	-0.01	2.71
BC 1-10 YR TIPS	-1.01	0.86	0.02	2.77
EXCESS	-0.16	-0.07	-0.02	-0.06
RISKLESS INDEX	0.00	0.04	0.07	0.09
REAL ROR	0.23	0.11	-1.26	1.03

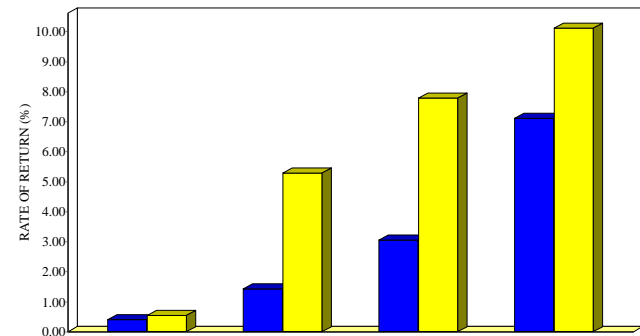


DOWN MARKET PERFORMANCE



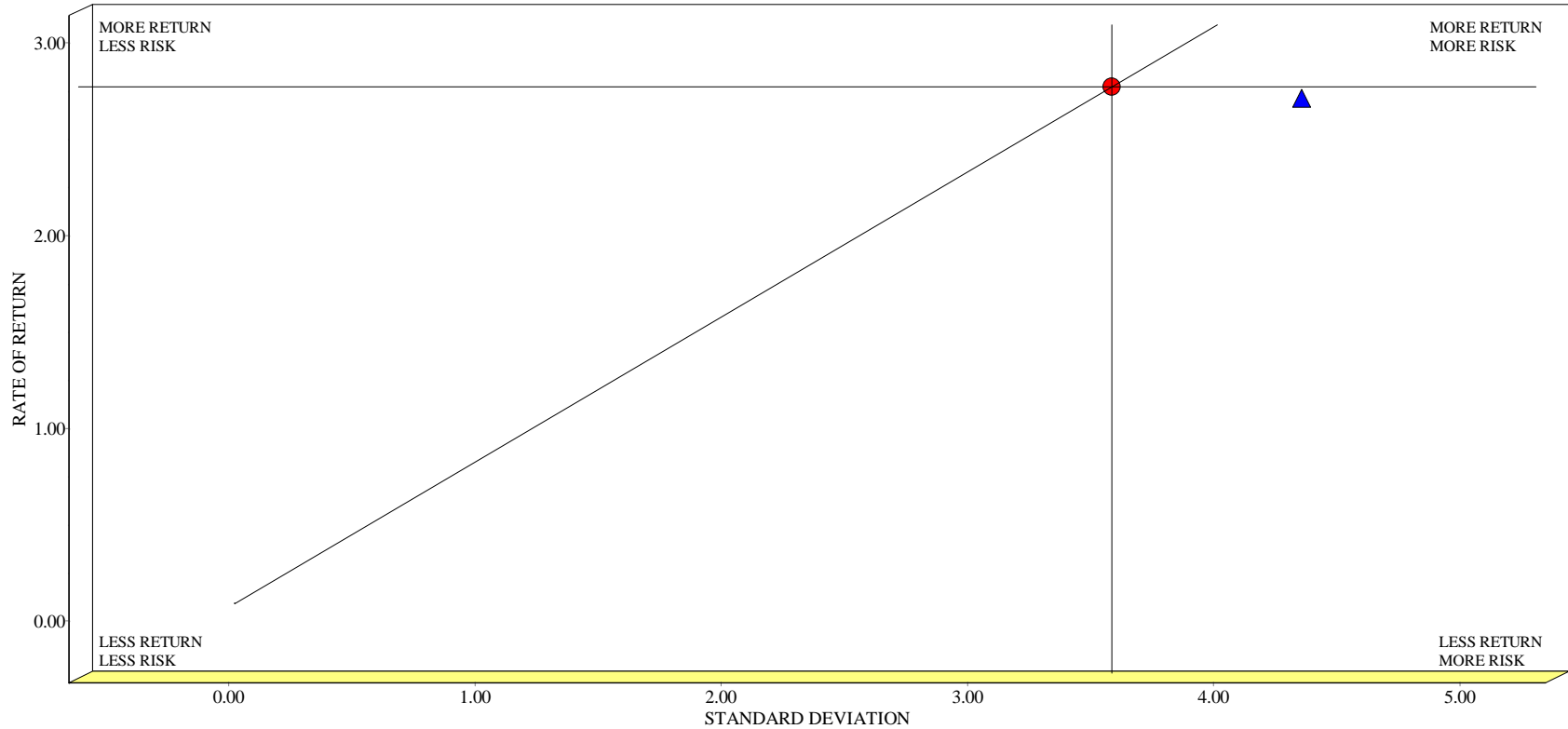
	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-1.58	-0.63	-5.21	-4.98
BC 1-10 YR TIPS	-1.54	-4.20	-12.38	-9.59
DIFFERENCE	-0.04	3.57	7.18	4.62
RATIO	1.02	0.15	0.42	0.52
DOWN PERIODS	1	4	13	21

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	0.41	1.43	3.06	7.11
BC 1-10 YR TIPS	0.54	5.29	7.79	10.12
DIFFERENCE	-0.13	-3.85	-4.73	-3.01
RATIO	0.76	0.27	0.39	0.70
UP PERIODS	2	8	23	39

**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Galliard TIPS  
Risk Versus Reward Analysis - 5 Yr.  
December 31, 2009 Through December 31, 2014**



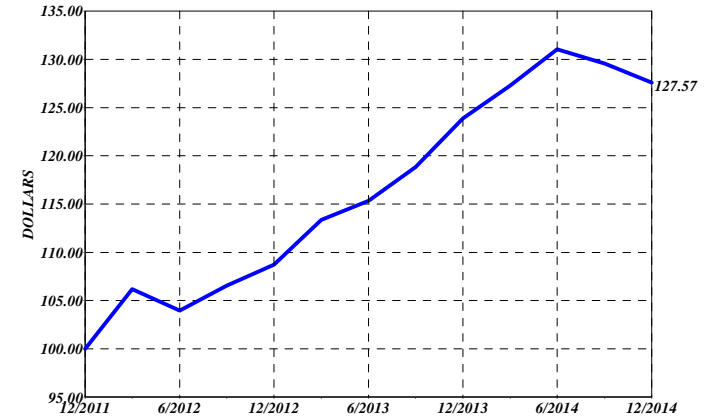
	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ GALLIARD TIPS	2.71	4.36	0.74	0.72	34.79
● BC 1-10 YR TIPS	2.77	3.59	0.00	1.00	100.00

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

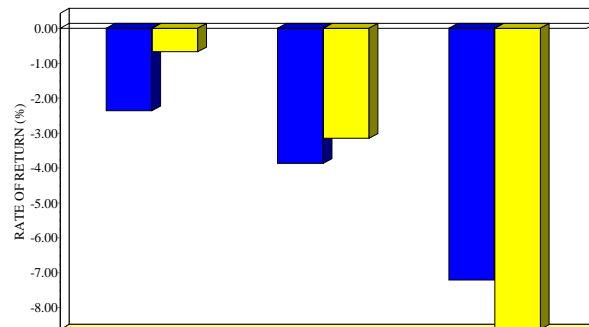
**Palm Tran, Inc./ATU Local 1577 Pension Fund  
Intercontinental Hedge Fd  
Performance Profile  
Period Ending December 31, 2014**

PERIOD	RETURN	BETA	ALPHA	STD DEV	SHARPE RATIO
ONE YEAR	2.99	1.14	-0.28	4.14	0.71
THREE YEARS	8.46	0.96	1.29	4.43	1.89

	QTD	ONE YEAR	THREE YEARS
TOTAL FUND	-1.54	2.99	8.46
BARCLAYS HEDGE	-0.08	2.91	7.40
EXCESS	-1.45	0.09	1.06
RISKLESS INDEX	0.00	0.04	0.07
REAL ROR	-0.15	2.29	7.11

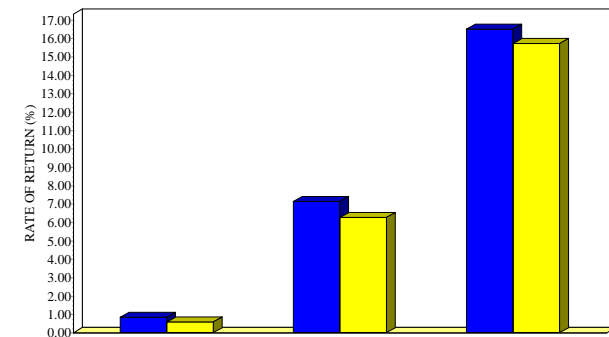


DOWN MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS
TOTAL FUND	-2.37	-3.88	-7.21
BARCLAYS HEDGE	-0.68	-3.16	-8.63
DIFFERENCE	-1.69	-0.72	1.42
RATIO	3.49	1.23	0.84
DOWN PERIODS	2	7	11

UP MARKET PERFORMANCE



	QTD	ONE YEAR	THREE YEARS
TOTAL FUND	0.85	7.15	16.51
BARCLAYS HEDGE	0.60	6.27	15.74
DIFFERENCE	0.25	0.88	0.78
RATIO	1.42	1.14	1.05
UP PERIODS	1	5	25

## **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 expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - BNY Mellon 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.



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

### **Glossary of Terms**

-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.

-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**

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.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.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.

6.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.

7.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.

8.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.

9.BCA has not reviewed the risks of individual security holdings.

10.BCA investment reports are not indicative of future results.

11. 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: 315 East Robinson Street Suite #690, Orlando, Florida 32801, 407-644-0111, [info@burgesschambers.com](mailto:info@burgesschambers.com).

