

**JUPITER POLICE OFFICER'S RETIREMENT FUND**

**INVESTMENT PERFORMANCE**  
**PERIOD ENDING**  
**JUNE 30, 2008**

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



## **Jupiter Police Officers' Retirement Fund**

### **BCA Second Quarter 2008 Market Review ©**

#### **Domestic Energy Policy Since 1960**

Burgess B. Chambers and Larry M. Cole

It's hard to believe today, but Crude Oil prices ranged between \$2.00 and \$3.00 per barrel from 1948 through the end of the 1960s. During this period, the Texas Railroad Commission, which was the first oil cartel, controlled prices by adjusting supply. The balance of power shifted to the Organization of the Petroleum Exporting Countries (OPEC) in the early 1970s when the Texas Railroad Commission ran out of capacity.

Richard Nixon decided in 1971 to remove the U.S. dollar's gold standard status, since the Treasury no longer had enough gold. This caused the collapse of the Bretton-Woods currency stability system. The result was a steady decline of the dollar for the next eight years. By 1973, Americans found themselves helpless in dealing with the Arab oil embargo and \$12 per barrel of oil. The stage was set for inflation and economic volatility. Domestic natural gas prices moved little due to Federal price controls. Domestic inflation rose above 14% during the Carter administration (1976 -1980). The Shah of Iran was deposed during Carter's watch, only to leave the country in the hands of radicals and clerics who openly despise the U.S. (and its allies in the region) to this day. In addition, Libya was a major crude oil supplier to Europe and proclaimed its intention to disrupt American interests in the region.

The decline in the buying power of the dollar and fear of further supply disruptions drove oil to \$70 per barrel in 1980, as the Iran/Iraq war intensified. The Federal Energy Regulatory Commission (FERC) offered incentives to domestic gas drillers by raising the price of "deep gas" to \$15 per thousand cubic feet.

Congress has been talking about energy independence since Richard Nixon (who imposed the 55 mph speed limit) for more than 30 years, nearly a generation. Experts have proclaimed alternatives that include: wind, geothermal, wave action, photovoltaic, nuclear, coal, hydrogen, oil shale, ethanol, and biomass. Nothing has really changed since 1973. America today uses 25% of the world's oil and imports 70% of what it consumes. Domestic oil consumption is 88% related to transportation. Coal, natural gas, nuclear, and hydro produce nearly all of America's electricity, but these alternatives are not transportation fuel substitutes at this time.

Since the failed rescue attempt of Americans in Tehran, energy policy was framed by the Carter Doctrine, which made it clear that America would attack (using military force) any country that disrupted the flow of oil to the U.S. or its allies. This was actually carried out during operation Desert Storm.

## **Jupiter Police Officers' Retirement Fund Total Fund**

The previous oil & gas bubble ended when the Federal Reserve, under Paul Volker, raised interest rates in the early 1980's to more than 17%. The ensuing recession crushed American heavy industry, broke the unions, and shifted jobs overseas. Demand for natural gas collapsed as factories closed – causing crude oil to fall to \$14 by 1983. The dollar rebounded since Treasuries were paying such high yields. By 1999, crude oil had fallen from its \$70 high in 1980 to \$12 and natural gas had declined from \$15 to \$2 per thousand cubic feet.

According to the International Energy Agency (IEA), the global oil market will remain tight for the next five years. It predicts that global oil capacity will rise to 96.2 million barrels per day by 2013 from today's 90.2 million level, which works out to 1.3% growth per year.

Both China and India are becoming major consumers of oil & gas. With populations far outnumbering the developed world and large demand for infrastructure, the IEA report becomes even more disturbing. As the developing world attracts more investment, and growth prospects rise, competition for the control of energy supplies will increase.

**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Investment Summary**  
**June 30, 2008**

- ❑ A weakening equity market began in August 2007. This has put pressure on the investment program, but results show excellent down-market performance. During the past 12-month, the total Fund was down -2.8% (net of management fees and commissions). The strategic benchmark was down -5.8%. For the most recent quarter, the total Fund was down -0.2% versus -1.7%.
- ❑ Westwood was an excellent addition to the program. The firm beat its benchmark for the year by a wide margin (-7.0% vs. -18.8%). This was accomplished by limiting exposure to banks.
- ❑ The asset allocation remains defensive, with a significant underweight in domestic equity (42.2% vs. 50.0%) and real estate (2.7% vs. 10.0%). The 13.9% over-weight in bonds has been a major factor in protecting assets of the Fund.

**Investment Performance**

	<u>Quarter</u>	<u>Fiscal YTD</u>	<u>One Year</u>
<b>Beginning Market Value</b>	<b>26,369,186</b>	<b>26,470,744</b>	<b>25,107,143</b>
<b>Ending Market Value</b>	<b>26,737,791</b>	<b>26,737,791</b>	<b>26,737,791</b>
<b>Net Contributions</b>	<b>+423,740</b>	<b>+1,417,005</b>	<b>+2,348,216</b>
<b>Investment Gain/(Loss)</b>	<b>-55,134</b>	<b>-1,149,957</b>	<b>-717,568</b>
<b>Investment Return, Net</b>	<b>-0.2%</b>	<b>-4.4%</b>	<b>-2.8%</b>
<b>Strategic Benchmark</b>	<b>-1.7%</b>	<b>-7.8%</b>	<b>-5.8%</b>
<b>Value Added</b>	<b>+1.5pts</b>	<b>+3.4pts</b>	<b>+3.0pts</b>

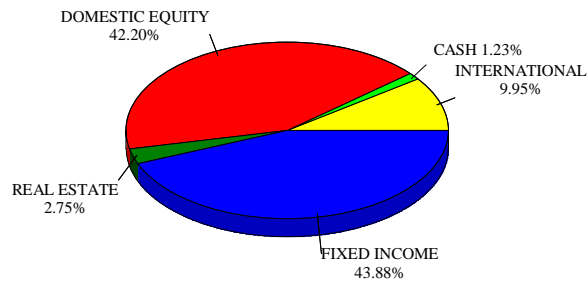
Fiscal Year: October 1st to September 30th.

**Jupiter Police Officers' Retirement Fund**  
**Total Fund**  
**Compliance Checklist**  
**June 30, 2008**

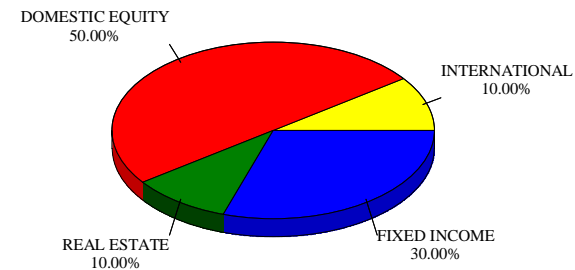
	<u>Yes</u>	<u>No</u>
The annualized three-year total Fund performance achieved the return of the strategic benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year total Fund performance ranked in the top 40th percentile. (Actual: 42 <sup>nd</sup> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized five-year total Fund performance achieved the return of the strategic benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized five-year total Fund performance ranked in the top 40th percentile. (Actual: 43 <sup>rd</sup> )	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year domestic equity performance achieved the domestic equity benchmark. (+4.3% vs. +4.7%)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized five-year domestic equity performance achieved the domestic equity benchmark. (+9.6% vs. +8.4%)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year C.S. McKee international performance achieved the MSCI EAFE.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year C.S. McKee international performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized three-year Adelente REIT performance achieved the DJ Wilshire REIT.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year Adelente REIT performance ranked in the top 40th percentile	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year Sawgrass fixed income performance achieved the fixed income benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized three-year Sawgrass fixed income performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The annualized five-year Sawgrass fixed income performance achieved the fixed income benchmark.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The annualized five-year Sawgrass fixed income performance ranked in the top 40th percentile (actual: bottom 76 <sup>th</sup> ).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Total equity securities (including the REIT), were within the 60% limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
No more than 10% of the Fund's equity assets (at cost) were invested in foreign securities. (Actual: 10.1%)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
No more than 10% of the fixed income portfolio (at cost) was invested in the securities of any single corporate issuer.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Actual vs. Target Asset Allocation**  
**June 30, 2008**

**ACTUAL ASSET ALLOCATION**



**TARGET ASSET ALLOCATION**

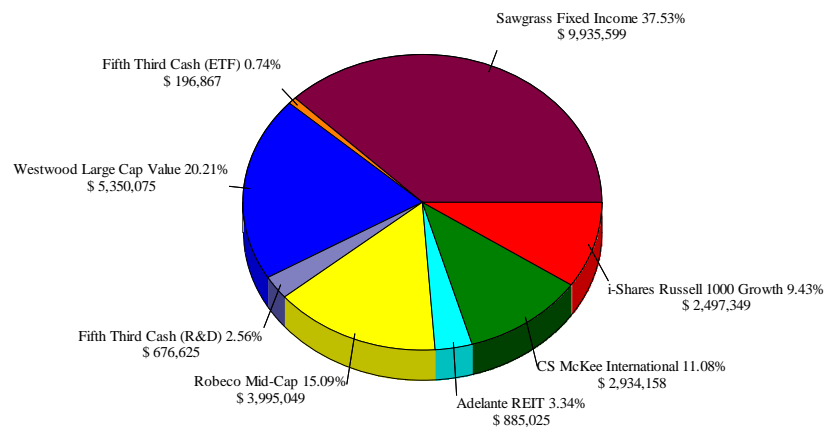


	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
DOMESTIC EQUITY	11,282,349.9	42.2%	13,368,895.7	50.0%	(2,086,545.7)	(7.8%)
INTERNATIONAL	2,659,367.2	9.9%	2,673,779.1	10.0%	(14,412.0)	(0.1%)
REAL ESTATE	735,064.4	2.7%	2,673,779.1	10.0%	(1,938,714.7)	(7.3%)
FIXED INCOME	11,733,008.3	43.9%	8,021,337.4	30.0%	3,711,670.9	13.9%
CASH	328,001.5	1.2%	0.0	0.0%	328,001.5	1.2%
<b>TOTAL FUND</b>	<b>\$26,737,791.4</b>	<b>100.0%</b>	<b>\$26,737,791.4</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>

# Jupiter Police Officer's Retirement Fund

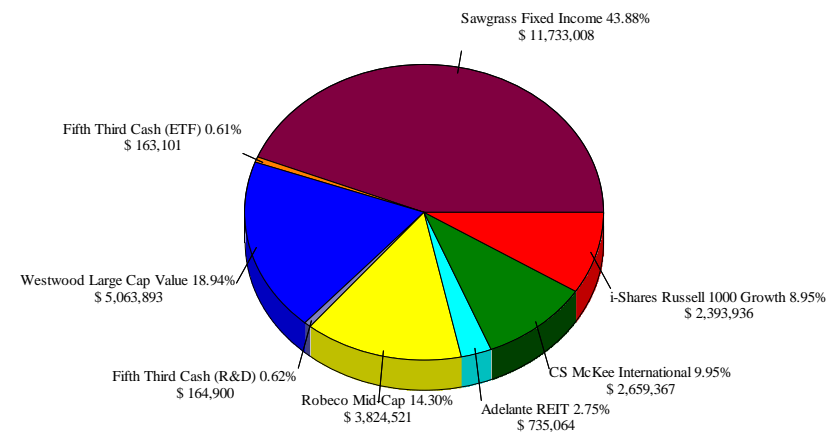
## Total Fund Manager Allocation

**Total Market Value  
On September 30, 2007  
\$ 26,470,744**



	Value	Percent
Westwood Large Cap Value	5,350,075	20.21
i-Shares Russell 1000 Growth	2,497,349	9.43
Robeco Mid-Cap	3,995,049	15.09
CS McKee International	2,934,158	11.08
Adelante REIT	885,025	3.34
Sawgrass Fixed Income	9,935,599	37.53
Fifth Third Cash (ETF)	196,867	0.74
Fifth Third Cash (R&D)	676,625	2.58

**Total Market Value  
On June 30, 2008  
\$ 26,737,791**



	Value	Percent
Westwood Large Cap Value	5,063,893	18.94
i-Shares Russell 1000 Growth	2,393,936	8.95
Robeco Mid-Cap	3,824,521	14.30
CS McKee International	2,659,367	9.95
Adelante REIT	735,064	2.75
Sawgrass Fixed Income	11,733,008	43.88
Fifth Third Cash (ETF)	163,101	0.61
Fifth Third Cash (R&D)	164,900	0.62

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**June 30, 2008**

Name	Market Values	QTD ROR	FYTD ROR	1 Year ROR	2 Year ROR	3 Year ROR	5 Year ROR
<b>TOTAL FUND</b>							
<u>Equity</u>							
<u>Domestic Equity</u>							
Westwood Large Cap Value	5,063,893	-0.6%	-9.6%	-7.0%	N/A	N/A	N/A
i-Shares Russell 1000 Growth	2,393,936	1.5%	-9.9%	-5.8%	5.8%	N/A	N/A
Robeco Mid-Cap	3,824,521	5.0%	-7.5%	-10.5%	N/A	N/A	N/A
<u>International</u>							
CS McKee International	2,659,367	-1.6%	-9.2%	-7.7%	8.8%	14.6%	N/A
<u>Real Estate</u>							
<u>Real Estate</u>							
Adelante REIT	735,064	-3.3%	-15.3%	-13.8%	-0.2%	6.8%	N/A
<u>Fixed Income</u>							
<u>Fixed Income</u>							
Sawgrass Fixed Income	11,733,008	-1.2%	4.5%	7.5%	6.5%	4.6%	3.5%
<u>Cash</u>							
<u>Cash</u>							
Fifth Third Cash (ETF)	163,101	0.6%	2.6%	3.9%	4.6%	N/A	N/A
Fifth Third Cash (R&D)	164,900	0.5%	2.8%	4.2%	4.5%	4.1%	1.1%
<b>TOTAL: (1, 2)</b>	<b>26,737,791</b>	<b>-0.1%</b>	<b>-3.9%</b>	<b>-2.1%</b>	<b>7.0%</b>	<b>5.9%</b>	<b>8.1%</b>
Strategic Model		-1.7%	-7.8%	-5.8%	4.3%	6.0%	8.7%
60% S&P500/40% LBAG		-1.9%	-7.5%	-5.2%	4.2%	4.4%	6.2%
Russell 1000 Value		-5.3%	-18.6%	-18.8%	-0.5%	3.5%	8.9%
Russell 1000 Growth		1.2%	-9.8%	-6.0%	5.8%	5.9%	7.3%
S&P 400 Mid Cap		5.4%	-6.5%	-7.3%	4.8%	7.5%	12.6%
MSCI Gross EAFE		-1.9%	-12.1%	-10.1%	7.0%	13.3%	17.2%
Wilshire REIT		-5.4%	-16.5%	-15.3%	-2.7%	4.9%	14.5%
Fixed Income Bnch		-1.0%	4.2%	7.1%	6.4%	4.3%	3.8%
ML 3M TBill		0.3%	2.3%	3.6%	4.4%	4.3%	3.2%

1 Fixed Income Bnch:5/07 100% LBAG; from 4/03 100% LB Int Ag; from 6/02 100% ML Dom Bd

2 Strategic Model (IPS Hybrid Benchmark): From 5/07 45% R3000 + 10% EAFE + 10% Wilshire REIT + 35% LBAG; from 4/04 50% R3000 +



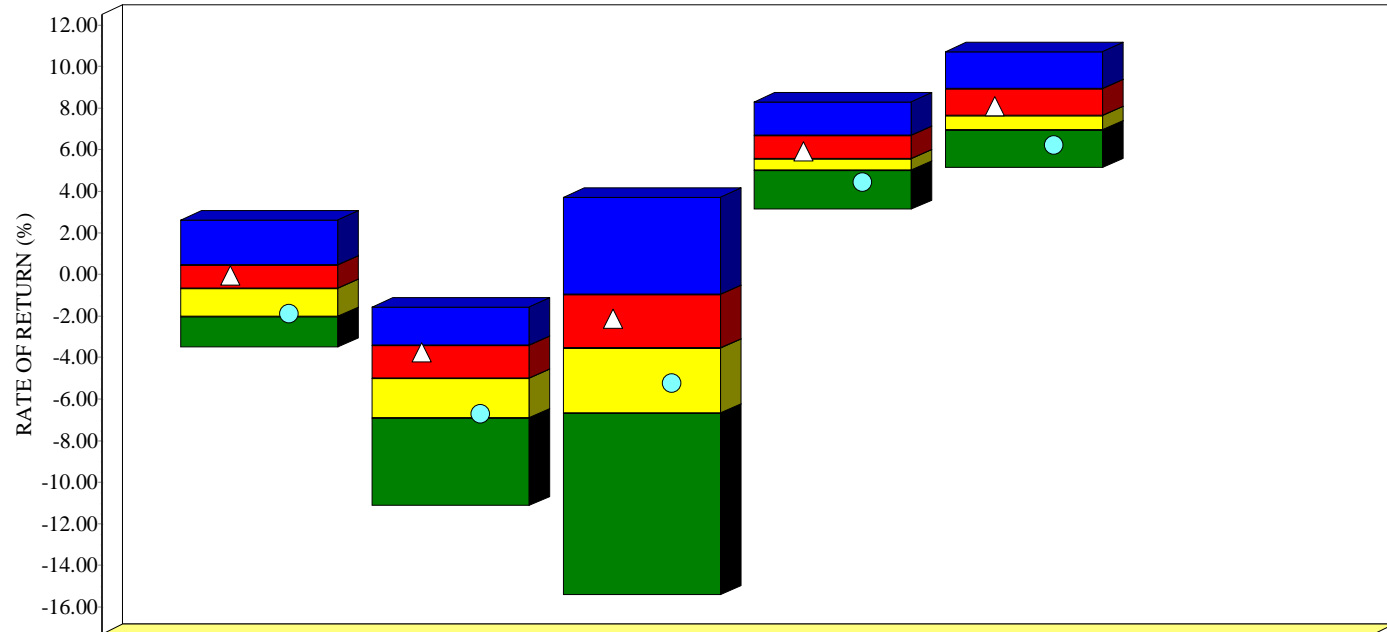


# Jupiter Police Officer's Retirement Fund

## Total Fund

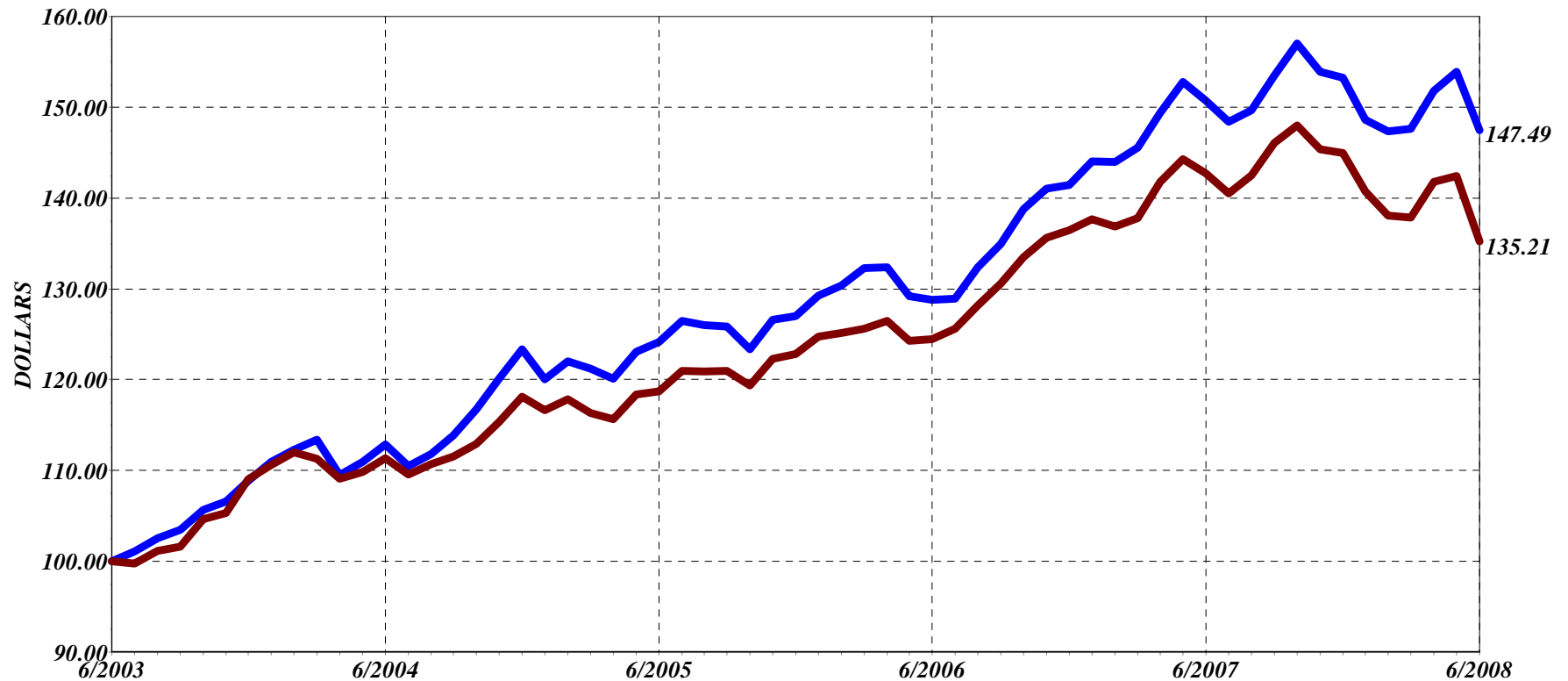
### Total Fund Versus Balanced Moderate

#### June 30, 2003 Through June 30, 2008



		LATEST QUARTER		YEAR TO DATE		ONE YEAR		THREE YEARS		FIVE YEARS	
	HIGHEST VALUE	2.62		-1.56		3.69		8.29		10.71	
	FIRST QUARTILE	0.45		-3.43		-0.97		6.68		8.92	
	MEDIAN VALUE	-0.67		-5.01		-3.55		5.55		7.63	
	THIRD QUARTILE	-2.03		-6.94		-6.71		4.98		6.95	
	LOWEST VALUE	-3.52		-11.14		-15.45		3.12		5.13	
	MEAN	-0.66		-5.20		-3.95		5.77		7.85	
	MEMBERS	70		70		70		69		65	
		LATEST QUARTER		YEAR TO DATE		ONE YEAR		THREE YEARS		FIVE YEARS	
		RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
△	TF	-0.07	34	-3.74	31	-2.15	35	5.91	42	8.08	43
●	60% S&P500/40% LBAG	-1.92	75	-6.71	72	-5.25	65	4.43	79	6.22	87

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Growth of a Dollar Analysis**  
**June 30, 2003 Through June 30, 2008**



	LATEST QUARTER	YEAR TO DATE	ONE YEAR	THREE YEARS	FIVE YEARS
<span style="color: blue;">—</span> TOTAL FUND	-0.07	-3.74	-2.15	5.91	8.08
<span style="color: red;">—</span> 60% S&P500/40% LBAG	-1.92	-6.71	-5.25	4.43	6.22

**Jupiter Police Officer's Retirement Fund**  
**Westwood Large Cap Value**  
**Performance Profile**  
**Through June 30, 2008**

	ENDED	RETURN
BEST QUARTER	9/2007	2.86
WORST QUARTER	3/2008	-8.96
BEST 4 QUARTERS	6/2008	-7.00
WORST 4 QUARTERS	6/2008	-7.00

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 7  
# OF NEGATIVE PERIODS: 5

	QUARTER TO DATE	FISCAL YTD	ONE YEAR
TOTAL FUND	-0.56	-9.58	-7.00
RUSSELL 1000 VALUE	-5.31	-18.58	-18.78
EXCESS	4.69	10.73	14.11
RISKLESS INDEX	0.31	2.26	3.63
REAL ROR	-2.96	-13.91	-11.71

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-7.00	3	13.75	-0.77	12.27	0.95	83.09	2.45

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

**Jupiter Police Officer's Retirement Fund**  
**i-Shares Russell 1000 Growth**  
**Performance Profile**  
**Through June 30, 2008**

	ENDED	RETURN
BEST QUARTER	6/2007	6.72
WORST QUARTER	3/2008	-10.11
BEST 4 QUARTERS	6/2007	18.76
WORST 4 QUARTERS	6/2008	-5.77

TOTAL # OF PERIODS: 24  
# OF POSITIVE PERIODS: 14  
# OF NEGATIVE PERIODS: 10

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS
TOTAL FUND	1.52	-9.87	-5.77	5.79
RUSSELL 1000 GROWTH	1.25	-9.75	-5.96	5.81
EXCESS	0.25	-0.17	0.17	-0.02
RISKLESS INDEX	0.31	2.26	3.63	4.41
REAL ROR	-0.91	-14.18	-10.54	1.74

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-5.77	56	14.11	-0.67	0.06	0.99	99.40	0.15
TWO YEARS	5.79	49	11.90	0.12	-0.01	1.00	99.42	-0.03

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

**Jupiter Police Officer's Retirement Fund**  
**Robeco Mid-Cap**  
**Performance Profile**  
**Through June 30, 2008**

	ENDED	RETURN
BEST QUARTER	6/2008	5.05
WORST QUARTER	3/2008	-9.15
BEST 4 QUARTERS	6/2008	-10.49
WORST 4 QUARTERS	6/2008	-10.49

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 4  
# OF NEGATIVE PERIODS: 8

	QUARTER TO DATE	FISCAL YTD	ONE YEAR
TOTAL FUND	5.05	-7.46	-10.49
S&P 400 MID CAP	5.43	-6.52	-7.34
EXCESS	-0.54	-1.28	-3.71
RISKLESS INDEX	0.31	2.26	3.63
REAL ROR	2.56	-11.87	-15.02

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-10.49	54	13.40	-1.05	-5.07	0.86	96.75	-1.14

*The risk benchmark for this analysis is the S&P 400 Mid Cap.  
The universe used was the Mid Cap*

# Jupiter Police Officer's Retirement Fund

## CS McKee International

### Performance Profile

#### Through June 30, 2008

	ENDED	RETURN
BEST QUARTER	12/2006	10.31
WORST QUARTER	3/2008	-6.09
BEST 4 QUARTERS	6/2007	28.25
WORST 4 QUARTERS	6/2008	-7.74

TOTAL # OF PERIODS: 36  
 # OF POSITIVE PERIODS: 28  
 # OF NEGATIVE PERIODS: 8

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	-1.63	-9.22	-7.74	8.78	14.55
MSCI GROSS EAFE	-1.93	-12.11	-10.15	7.05	13.34
EXCESS	0.39	3.27	2.59	1.57	1.01
RISKLESS INDEX	0.31	2.26	3.63	4.41	4.27
REAL ROR	-4.02	-13.56	-12.41	4.64	10.04

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-7.74	46	15.69	-0.72	2.29	0.97	94.05	0.66
TWO YEARS	8.78	48	12.56	0.35	1.71	0.97	94.13	0.51
THREE YEARS	14.55	53	11.90	0.86	1.44	0.96	95.02	0.37

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

# Jupiter Police Officer's Retirement Fund

## Adelante REIT

### Performance Profile

### Through June 30, 2008

	ENDED	RETURN
BEST QUARTER	3/2006	14.82
WORST QUARTER	12/2007	-13.44
BEST 4 QUARTERS	6/2006	22.39
WORST 4 QUARTERS	6/2008	-13.81

TOTAL # OF PERIODS: 36  
 # OF POSITIVE PERIODS: 22  
 # OF NEGATIVE PERIODS: 14

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	-3.31	-15.33	-13.81	-0.17	6.84
WILSHIRE REIT	-5.39	-16.46	-15.29	-2.73	4.92
EXCESS	2.32	1.66	2.02	2.76	1.86
RISKLESS INDEX	0.31	2.26	3.63	4.41	4.27
REAL ROR	-5.69	-19.39	-18.20	-4.04	2.55

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-13.81	59	22.46	-0.78	3.22	1.07	98.56	0.66
TWO YEARS	-0.17	21	19.93	-0.23	2.95	1.04	98.60	1.12
THREE YEARS	6.84	32	18.20	0.14	1.85	1.01	98.43	0.81

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

# Jupiter Police Officer's Retirement Fund

## Sawgrass Fixed Income

### Performance Profile

#### Through June 30, 2008

	ENDED	RETURN
BEST QUARTER	9/2006	3.21
WORST QUARTER	6/2004	-1.92
BEST 4 QUARTERS	6/2008	7.51
WORST 4 QUARTERS	6/2004	-0.31

TOTAL # OF PERIODS: 60  
 # OF POSITIVE PERIODS: 44  
 # OF NEGATIVE PERIODS: 16

	QUARTER TO DATE	FISCAL YTD	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	-1.23	4.50	7.51	6.53	4.56	3.47
FIXED INCOME BNCH	-1.02	4.17	7.13	6.43	4.25	3.79
EXCESS	-0.22	0.33	0.36	0.10	0.29	-0.31
RISKLESS INDEX	0.31	2.26	3.63	4.41	4.27	3.18
REAL ROR	-3.59	-0.39	2.16	2.50	0.41	-0.17

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	7.51	24	2.84	1.36	-0.01	1.11	91.07	0.48
TWO YEARS	6.53	35	2.65	0.80	0.07	1.02	88.31	0.12
THREE YEARS	4.56	37	2.46	0.12	0.29	0.94	89.85	0.39
FIVE YEARS	3.47	76	2.87	0.10	-0.27	0.94	94.48	-0.46

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

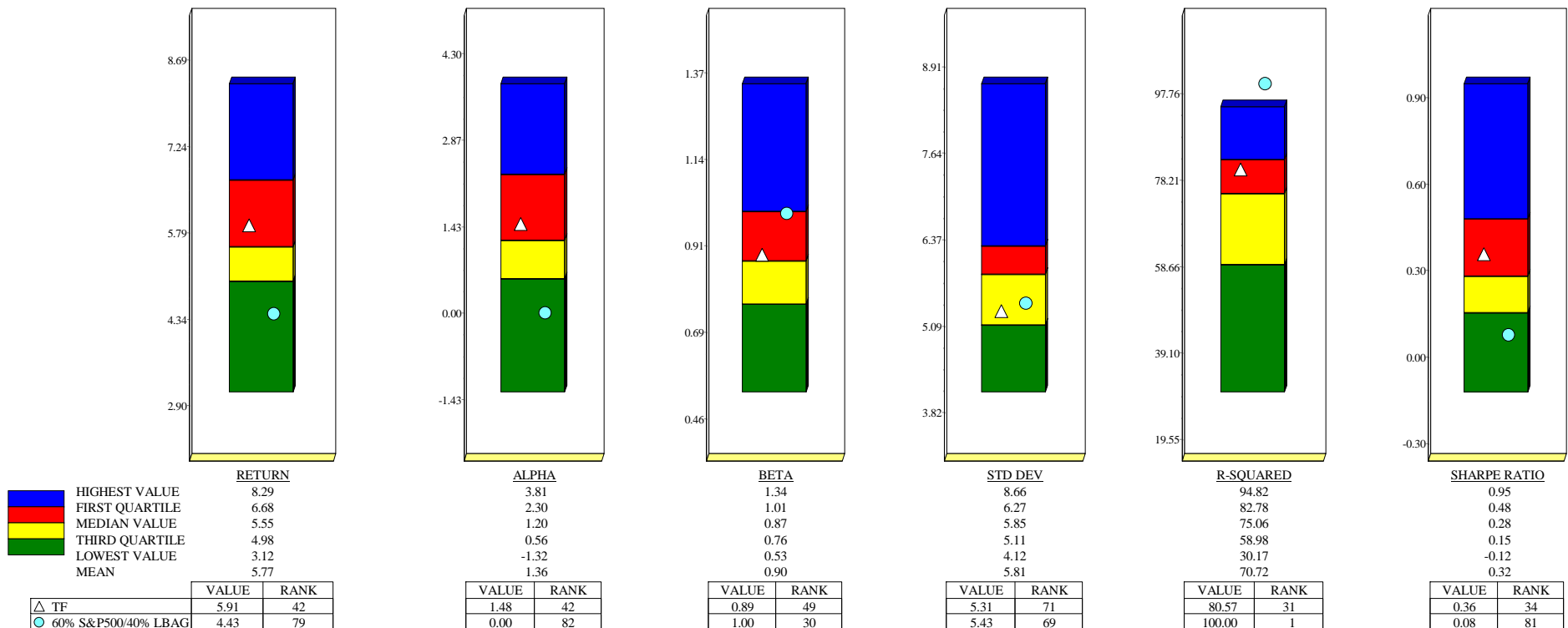


# Jupiter Police Officer's Retirement Fund

## Total Fund

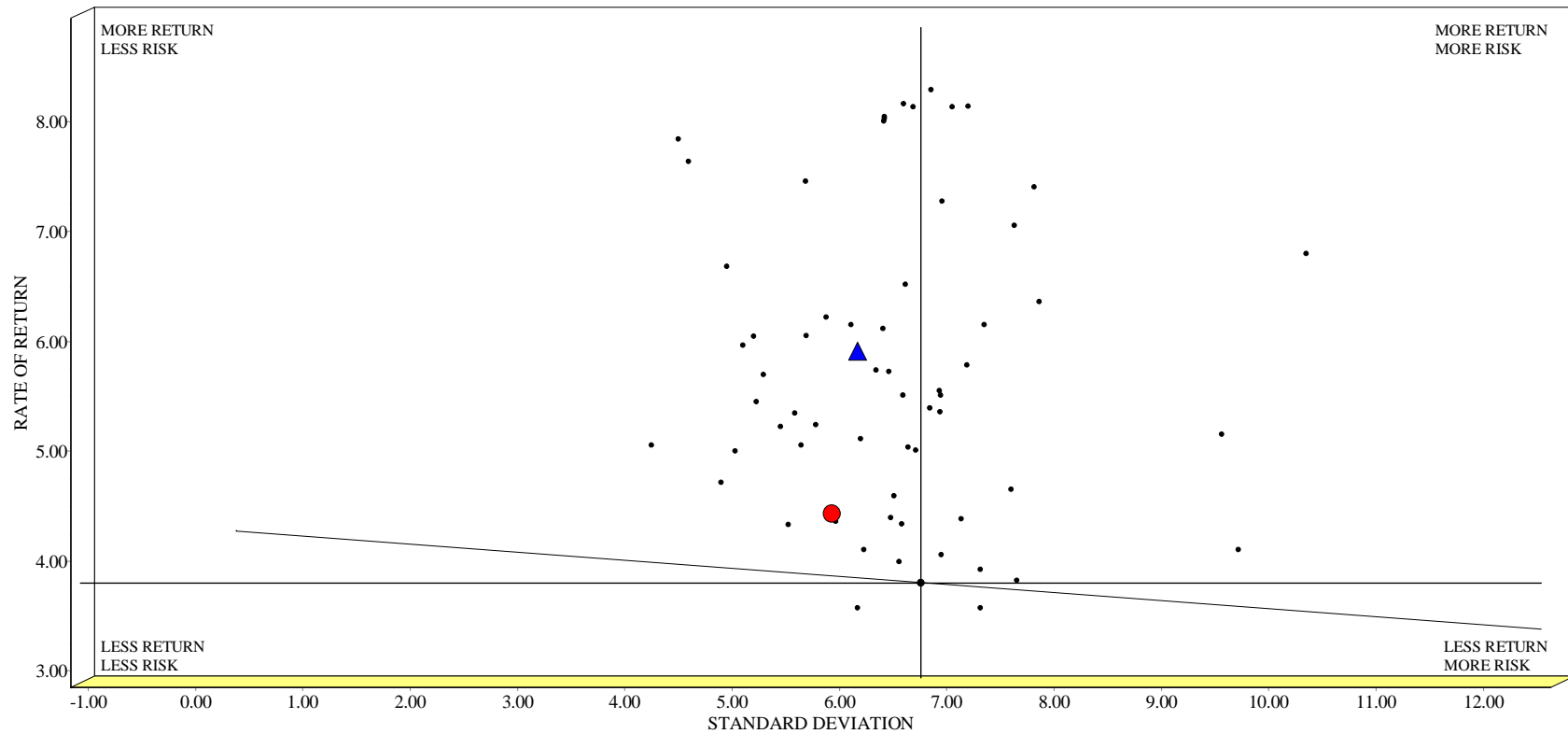
### Total Fund Within Balanced Moderate

#### June 30, 2005 Through June 30, 2008



The risk benchmark for this analysis is the 60% S&P500/40% LBAG.

**Jupiter Police Officer's Retirement Fund**  
**Total Fund**  
**Risk Versus Reward Analysis - 3 Yr.**  
**June 30, 2005 Through June 30, 2008**



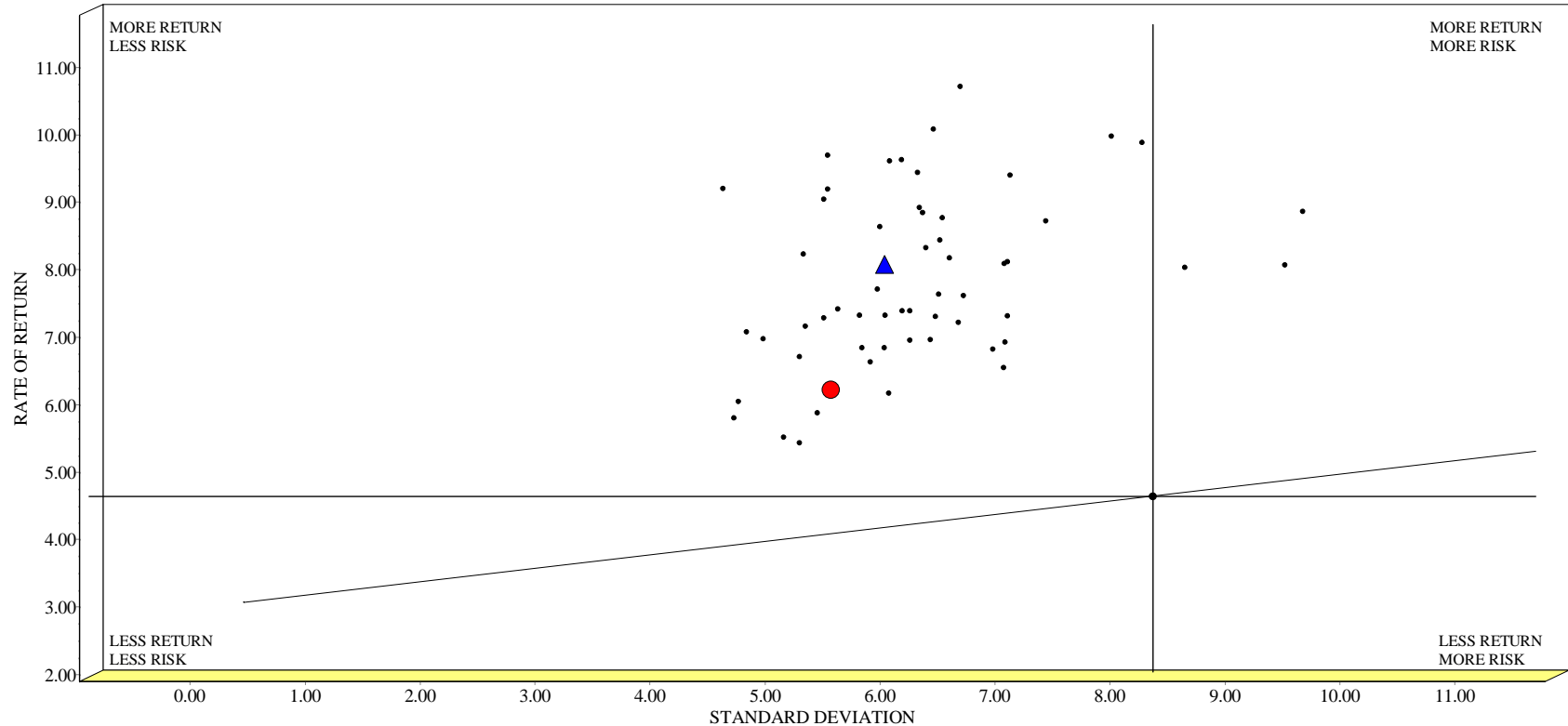
	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ TOTAL FUND	5.91	6.17	1.70	-0.25	7.38
● 60% S&P500/40% LBAG	4.43	5.93	0.28	-0.24	7.37

*The risk benchmark for this analysis is the Lehman Bros Treasury-Long Term.  
The comparative universe is comprised of Balanced Moderate.*

# Jupiter Police Officer's Retirement Fund

## Total Fund

### Risk Versus Reward Analysis - 5 Yr. June 30, 2003 Through June 30, 2008

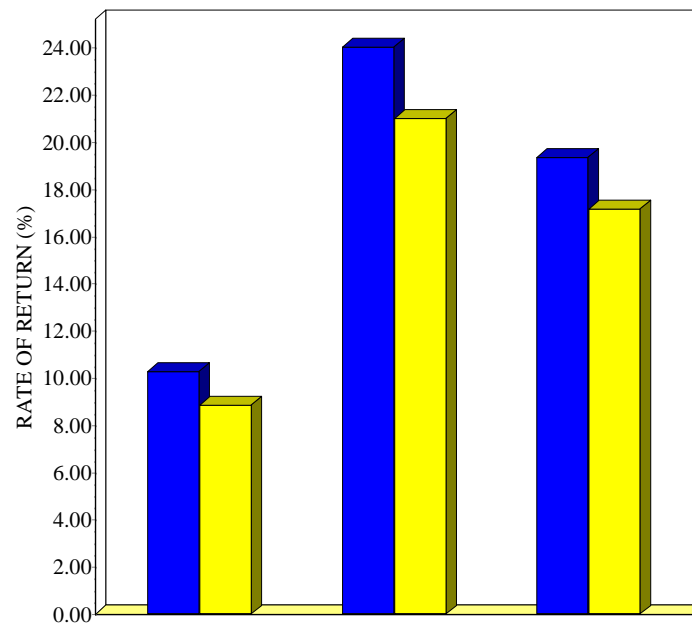


	RETURN	STD DEV	ALPHA	BETA	R-SQUARED
▲ TOTAL FUND	8.08	6.04	5.05	-0.05	0.50
● 60% S&P500/40% LBAG	6.22	5.58	3.25	-0.04	0.33

The risk benchmark for this analysis is the Lehman Bros Treasury-Long Term.  
The comparative universe is comprised of Balanced Moderate.

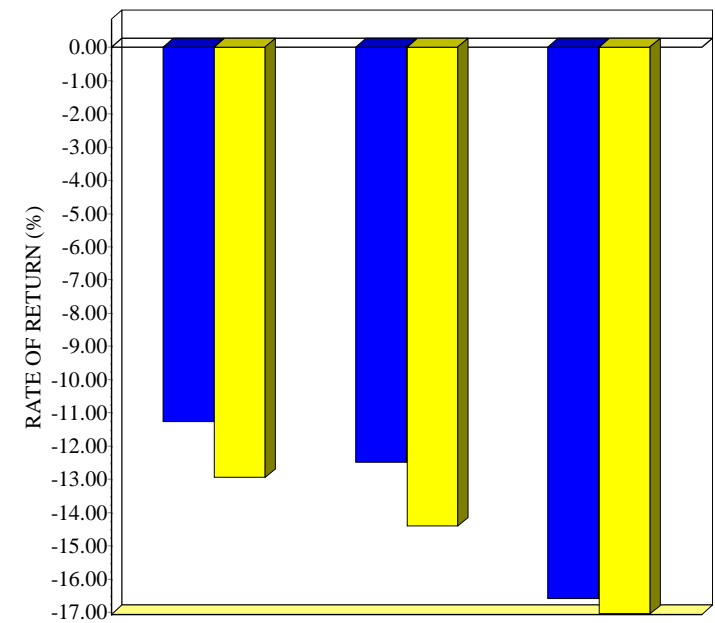
**Jupiter Police Officer's Retirement Fund**  
**Performance in Rising and Declining Markets**  
**As Compared to the Benchmark**  
**June 30, 2005 Through June 30, 2008**

UP MARKET PERFORMANCE



	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	10.29	24.03	19.37
60% S&P500/40% LBAG	8.86	21.02	17.18
DIFFERENCE	1.43	3.01	2.18
RATIO	1.16	1.14	1.13
UP PERIODS	5	15	24

DOWN MARKET PERFORMANCE



	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	-11.27	-12.50	-16.62
60% S&P500/40% LBAG	-12.96	-14.41	-17.06
DIFFERENCE	1.68	1.91	0.44
RATIO	0.87	0.87	0.97
DOWN PERIODS	7	9	12

## **Jupiter Police Officer's Retirement Fund**

### **Glossary of Terms**

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



## **Jupiter Police Officer's Retirement Fund**

### **Glossary of Terms**

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

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

**-R-SQUARED-** Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R<sup>2</sup> of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

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

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

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

**-TRACKING ERROR-** A measure of 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-MARKET CAPTURE RATIO-** Ratio that illustrates how a manager performed relative to the market during rising market periods; the higher the ratio, the better the manager performed (i.e., a ratio of 110 implies the manager performed 10% better than the market).

**-VALUE MANAGER-** A value manager generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.

## **Jupiter Police Officer's Retirement Fund**

### **Glossary of Terms**

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

#### **Performance Reporting:**

- 1.Changes in portfolio valuations due to capital gains or losses, dividends, interest or other income are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
- 2.Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
- 3.Individual client returns may vary due to a variety of factors, including differences in investment objectives and timing of investment decisions.
- 4.BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.
- 5.Portfolio returns are generally shown before the deduction of investment advisory fees.
- 6.Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
- 7.The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
- 8.Performance information prepared by third party sources may differ from that shown by BCA, These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
- 9.Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe be subject to revision.
- 10.BCA has not reviewed the risks of individual security holdings or the compliance/non-compliance of individual security holdings with investment policies and guidelines of fund sponsor, nor has it assumed any responsibility to do so.

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

