

# BARTLETT

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Investment Review  
As of 9/30/11

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October 12, 2011

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# Account Summary Report

	YTD 2011	2010	2009	2008	2007	Since Inception (1/1/06)
<b>Total Portfolio</b>	<b>(6.9)%</b>	<b>9.9%</b>	<b>19.8%</b>	<b>(23.5)%</b>	<b>7.2%</b>	<b>2.0%</b>
Combined Index (65% S&P 500, 35% ML 1-10 YR G/C Bond)	(4.0)	12.3	19.3	(24.3)	6.3	2.6
<b>Total Equities</b>	<b>(12.9)</b>	<b>12.1</b>	<b>28.8</b>	<b>(36.9)</b>	<b>7.0</b>	<b>0.1</b>
S&P 500 Index	(8.7)	15.1	26.5	(37.0)	5.5	0.4
EAFE	(15.0)	7.8	31.8	(43.4)	11.2	(0.7)
<b>Total Fixed Income</b>	<b>4.4</b>	<b>6.1</b>	<b>7.3</b>	<b>5.1</b>	<b>7.1</b>	<b>5.8</b>
Merrill 1-10 YR G/C Bond	5.0	6.0	5.7	4.1	7.4	5.6

	Income*	Fees	Realized Gains/Losses	Cost Basis	Market Values
2011	\$103,343	\$15,903	\$1,510	\$5,372,362	\$5,318,371
2010	\$131,255	\$28,619	\$16,106	\$5,289,271	\$5,709,938
2009	\$77,978	\$19,684	\$(8,828)	\$5,150,443	\$5,228,271
2008	\$91,996	\$22,496	\$(222,862)	\$2,959,185	\$2,538,412
2007	\$143,784	\$23,089	\$85,882	\$3,111,081	\$3,343,052

\*Notes on income for 2007 through 2010: Accrued income is not included. The decline in income from 2007 to 2008 was due to the large cash position created in preparation for the distribution made in 2008; drop in dividends related to the financial crisis and lower interest rates. Income remained lower for most of 2009 until the contribution of \$2,000,000 was made in August of 2009. 2010 income reflects higher income due to the 2009 contribution.

# Bartlett Market Outlook

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- U.S. economic fundamentals are generally anemic, especially in labor and housing markets, but growth is expected to remain positive
- Short-term interest rates are expected to remain near zero for the next 18-24 months based on monetary policy guidance from the Federal Reserve
- European economic growth is expected to remain very weak against the backdrop of policy-making dilemmas
- Emerging markets' economic growth should be comparatively resilient
- Market valuations reflect low expectations and equities are attractively priced relative to bond and money market alternatives; we believe opportunity outweighs risk for the long-term equity investor

# Investment Policy Review

Policy Considerations	Guidelines / Restrictions	Actual	Compliance
<b>Asset Allocation</b>			
Large Cap	50-80%	59.9%	Yes
Mid Cap	5-20%	22.1%	No
Small Cap	5-20%	7.6%	Yes
International	5-20%	10.4%	Yes
<b>Fixed Income Characteristics</b>			
Bond Credit Ratings	• Average credit rating A or better	Aa Moodys	Yes
	• A <sup>1</sup> /A <sup>+</sup> or better by both rating agencies	87%	Yes
<b>Total Portfolio Considerations</b>			
Investments in types of investments not permitted – listed in the IPS	Not Permitted	None	Yes
Investments meet SRI criteria in IPS	Avoid investments which threaten the health of youth	None	Yes

# Portfolio Strategy

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## Equities

- Lowering exposure to financial stocks
- Maintain emphasis in dividend paying stocks over the medium term
- Work toward equal exposure between developed and emerging markets

## Fixed Income

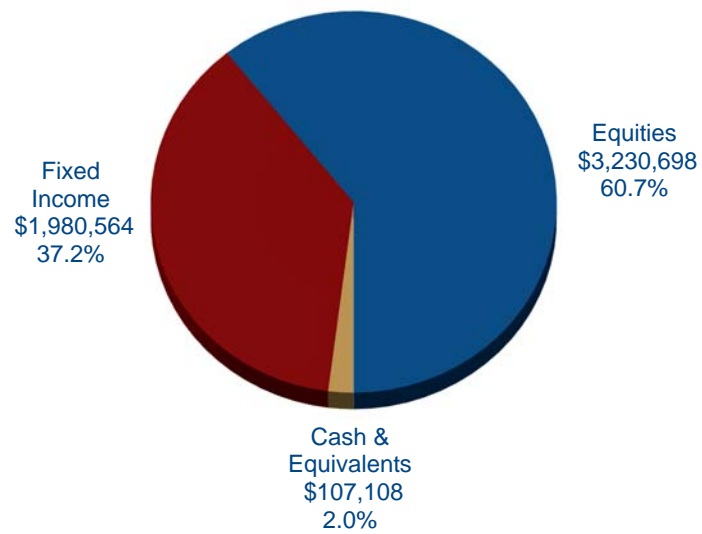
- Maintain shorter duration
- Maintain overweight in corporates

## Rebalance

- Reduce mid cap exposure and reinvest in large cap equities

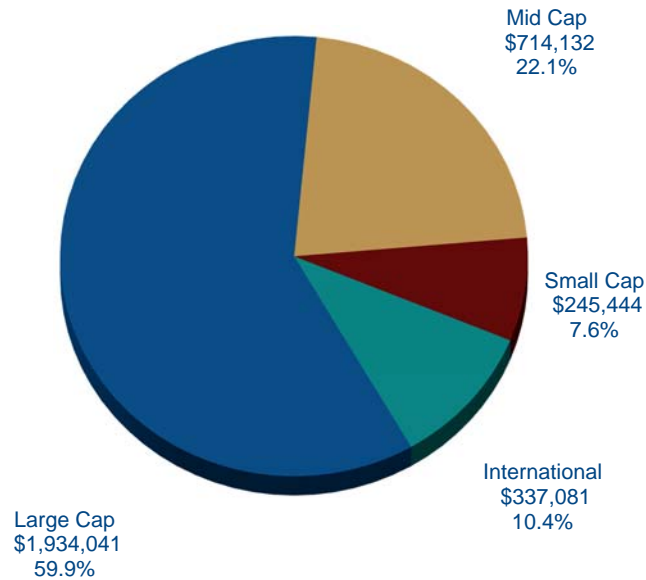
# Asset Allocation

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	Value on 9/30/11	Percent Portfolio
■ Cash & Equivalents	\$107,108	2.0%
■ Fixed Income	1,980,564	37.2%
■ Equities	<u>3,230,698</u>	<u>60.7%</u>
	\$5,318,370	100.0%

# Equity Allocation

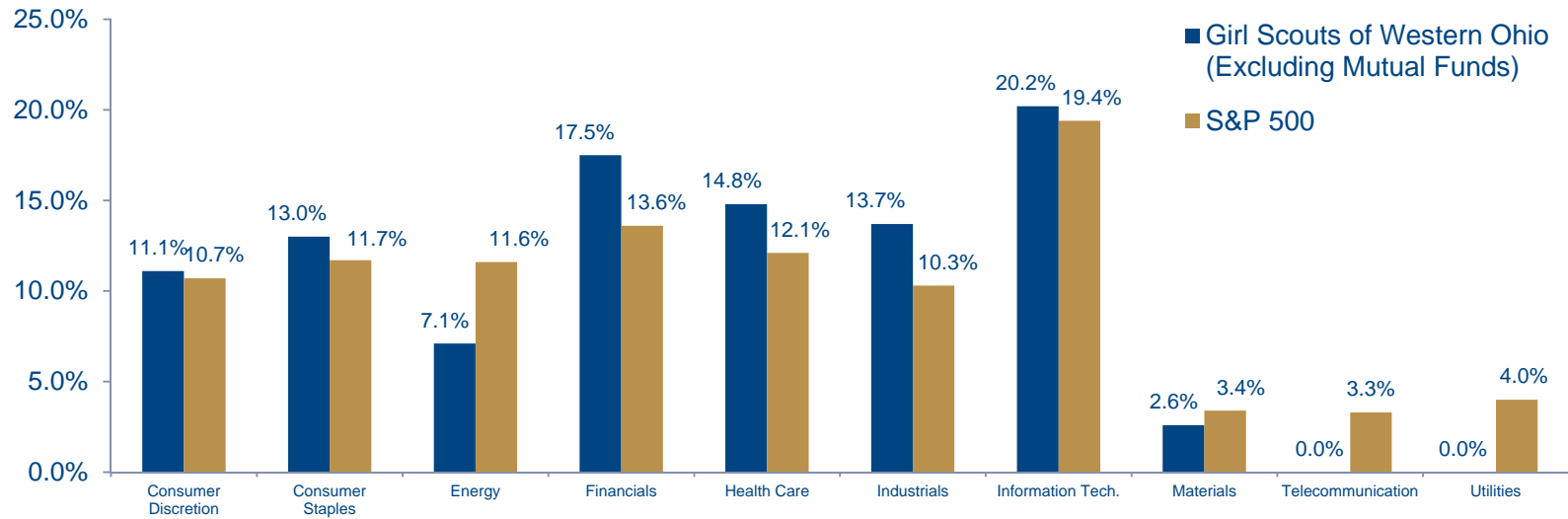


Equities	Value on 9/30/11	Percent Equities	Target	IPS Range
▪ Large Cap (> \$10 Billion)	\$1,934,041	59.9%	60%	50-80%
▪ Mid Cap (\$5 - \$10 Billion)	714,132	22.1%	15%	5-20%
▪ Small Cap (< \$5 Billion)	245,444	7.6%	15%	5-20%
▪ International*	<u>337,081</u>	<u>10.4%</u>	10%	5-20%
	\$3,230,698	100.0%		

\*International includes only international mutual funds.

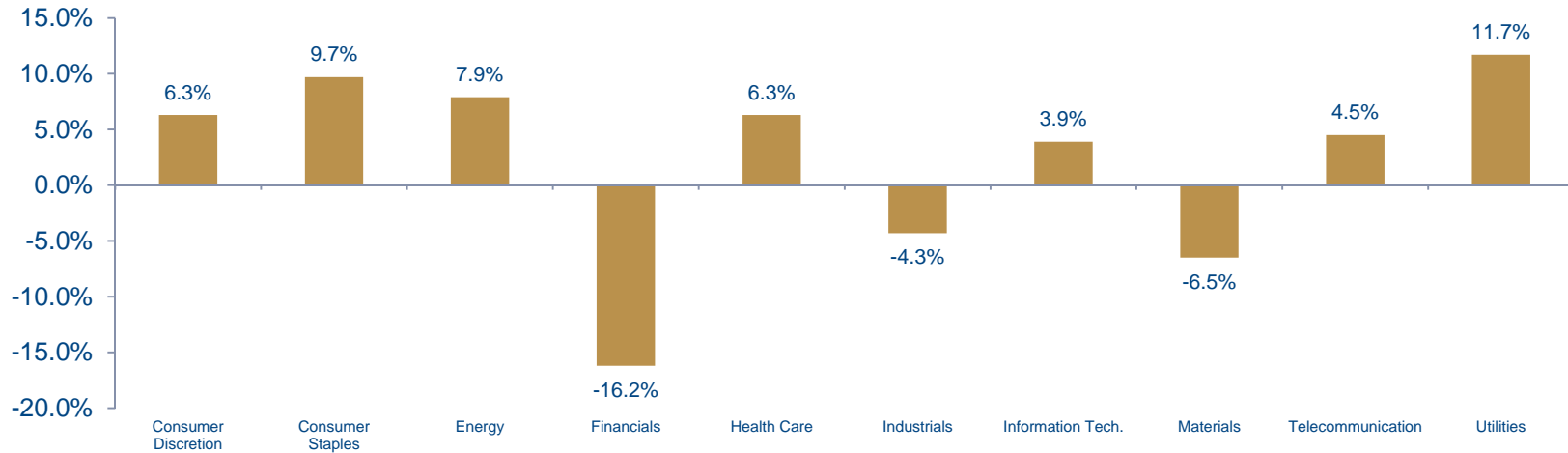


# Equity Sector Allocation



## S&P Sector Performance (Trailing 12 Months)

S&P 500 Performance = 1.1%

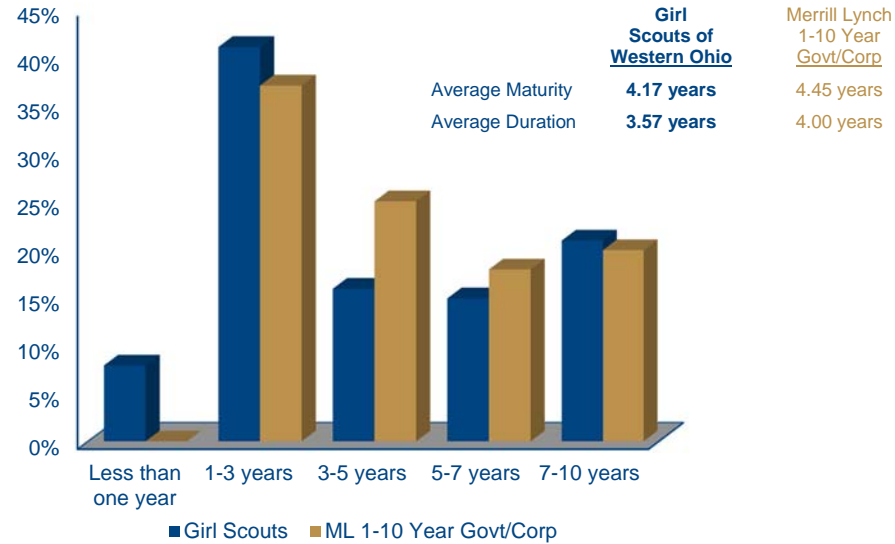


The foregoing information was prepared from sources believed to be reliable but is not guaranteed as to accuracy.

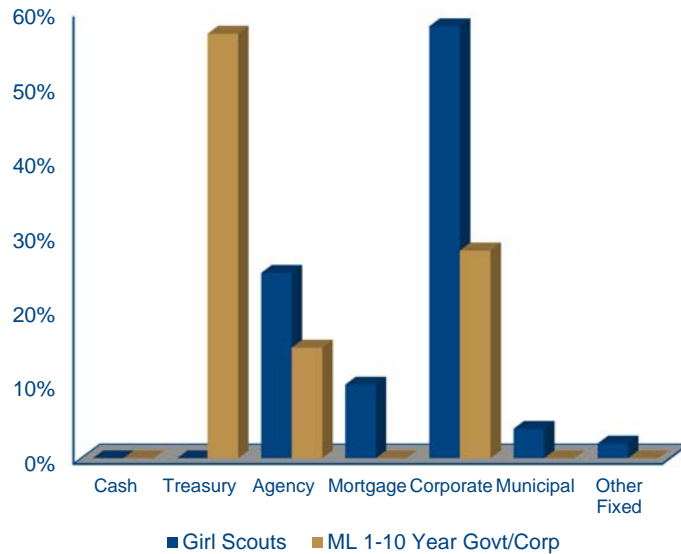
As of September 30, 2011

# Fixed Income Characteristics

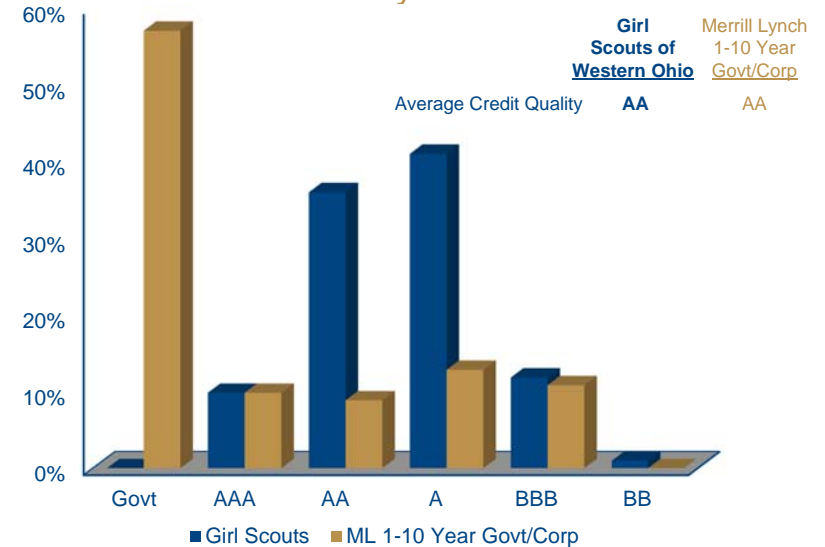
## Maturity Distribution



## Sector Distribution



## Quality Distribution



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As of September 30, 2011

# Performance

	Year To Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception (12/31/05)
	-----Annualized-----				
<b>Total Portfolio</b>	<b>(6.9)%</b>	<b>(1.0)%</b>	<b>1.2%</b>	<b>1.3%</b>	<b>2.0%</b>
<b>Equity</b>	<b>(12.9)</b>	<b>(3.7)</b>	<b>(2.3)</b>	<b>(1.7)</b>	<b>0.1</b>
S&P 500 Index	(8.7)	1.1	1.2	(1.2)	0.4
MSCI Europe Australia Far East	(15.0)	(9.4)	(1.1)	(3.5)	(0.7)
<b>Fixed Income</b>	<b>4.4</b>	<b>3.6</b>	<b>7.2</b>	<b>6.2</b>	<b>5.8</b>
Merrill Lynch 1-10 Yr. Govt/Corp	5.0	3.5	7.0	5.9	5.6

Bartlett Returns are Gross-of-fees

As of September 30, 2011

# Account Performance

	YTD 2011	2010	2009	2008	2007
<b>Total Account</b>	<b>(6.9)%</b>	<b>9.9%</b>	<b>19.8%</b>	<b>(23.5)%</b>	<b>7.2%</b>
<i>Blended Index*</i>	(3.2)	12.7	19.0	(24.1)	6.1
<b>Equity</b>	<b>(12.9)</b>	<b>12.1</b>	<b>28.8</b>	<b>(36.9)</b>	<b>7.0</b>
<i>S&amp;P 500 Index</i>	(8.7)	15.1	26.5	(37.0)	5.5
<i>Russell 1000 Value</i>	(11.2)	15.5	19.7	(36.9)	(0.2)
Baron Asset	(11.3)	21.3	31.7	(40.8)	10.1
Perkins Mid Cap	(11.6)	15.0	30.4	(27.3)	7.4
<i>S&amp;P 400 MC</i>	(13.0)	26.6	37.4	(36.2)	8.0
<i>Russell MC Value</i>	(13.0)	24.8	34.2	(38.4)	(1.4)
T. Rowe Price New Horizons Fund	(6.5)	34.7	43.9	(38.8)	6.3
<i>Russell 2000 Value</i>	(18.5)	24.5	20.1	(28.9)	(9.8)
Dodge & Cox International Stock	(19.4)	13.7	47.5	(46.7)	11.7
Harbor International	(17.2)	12.0	38.6	(42.7)	21.8
Harding Loevner Emerging Markets	(22.6)	20.8	64.0	(52.5)	36.3
<i>EAFE</i>	(15.0)	7.8	31.8	(43.5)	10.8
<b>Fixed Income</b>	<b>4.4</b>	<b>6.1</b>	<b>7.3</b>	<b>5.1</b>	<b>7.1</b>
<i>Merrill Lynch 1-10 Yr. Govt/Corp</i>	5.0	6.0	5.7	4.1	7.4

\* 65% S&P 500, 35% Merrill Lynch 1-10 yr. Govt/Corp

Bartlett Returns are Gross-of-fees

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