



# TOWN OF PALM BEACH

Finance Department

To: Mayor and Town Council  
Via: Kirk Blouin, Town Manager *KB*  
From: Robert Miracle, Deputy Town Manager *RM*  
Date: November 12, 2024  
Subject: Monthly Investment Report – August 2024

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Attached you will find the Town's Investment Report for August 2024.

The table below summarizes the fiscal year to date returns for Town investments.

|   | Market Value | \$ Return FYTD | % Return FYTD | Benchmark |
|---|--------------|----------------|---------------|-----------|
| Core Investments                                      | 224,909,167  | 11,592,564     | 5.44%         | 4.89%     |
| OPEB Trust*   | 42,907,791   | NA             | 18.82%        | 17.54%    |
| Total overseen by<br>Investment Advisory<br>Committee | 267,816,958  |                |               |           |
| Retirement Fund*                                      | 290,068,391  | NA             | 18.13%        | 20.51%    |

\*Preliminary returns reported as of August 31, 2024

The blended total investment return for the Town's Core Investments is 0.63% for the month, 5.12% annualized.

The schedules on pages 8 and 9 report the performance results for the OPEB and Retirement Funds for August 2024.

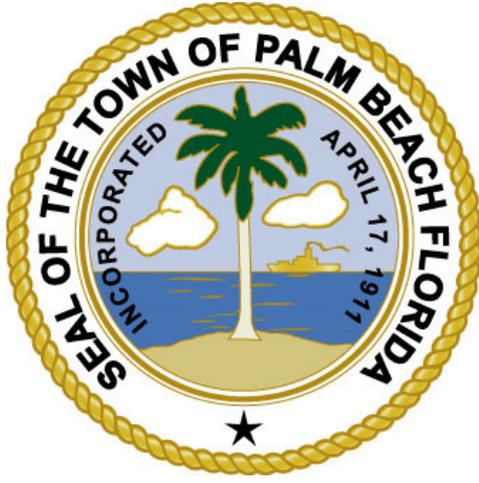
I can be reached at extension 6333 with questions regarding this report.

CC: Investment Advisory Committee

RM/ml

# Town of Palm Beach

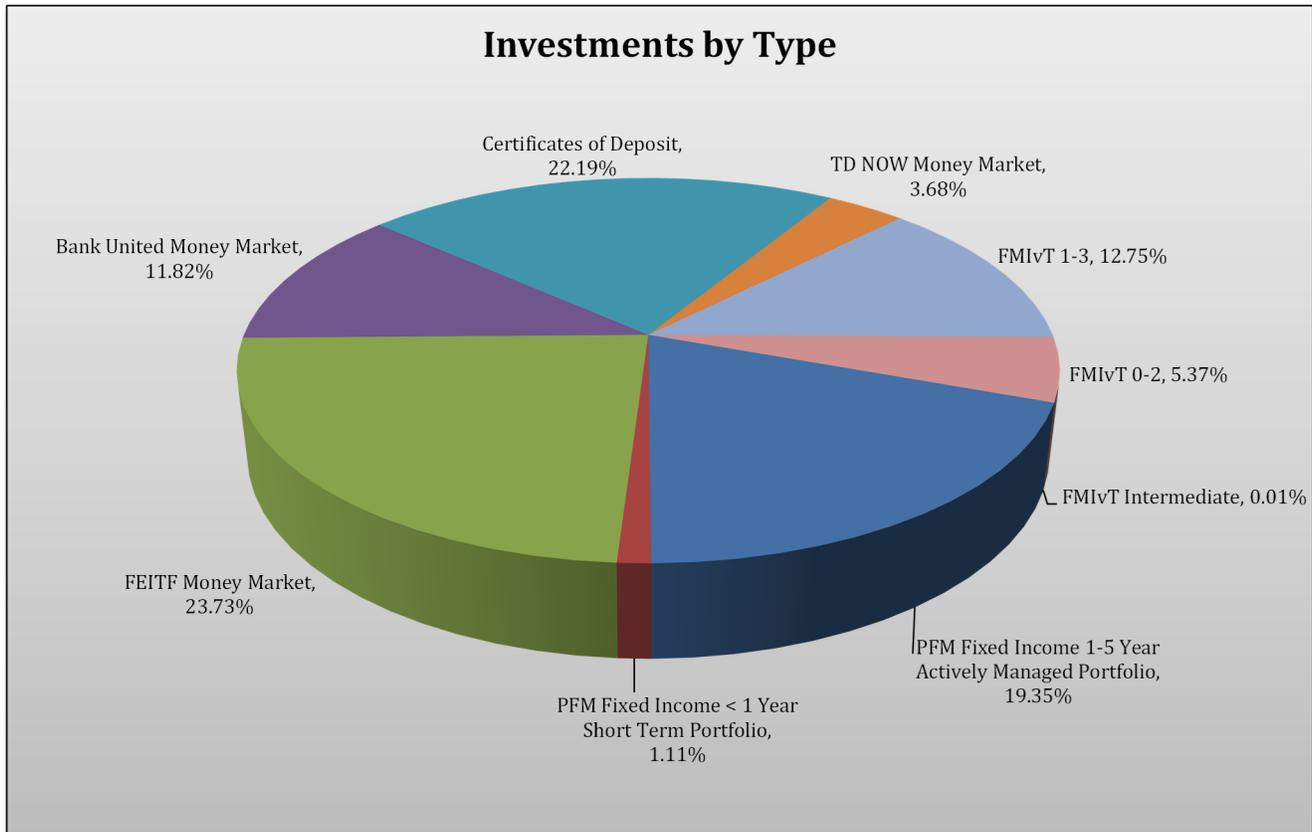
## Investment Portfolio Performance



August 2024

## Portfolio Return by Investment

| Investment   | August-24<br>Balance  | August-24<br>Return | 2024 Fiscal YTD<br>(11 mo.) | 2023 Fiscal YTD<br>(11 mo.) | 2023 Fiscal<br>(12 mos.) |
|--|-----------------------|---------------------|-----------------------------|-----------------------------|--------------------------|
| <b>Core Investments</b>                              |                       |                     |                             |                             |                          |
| PFM Fixed Income 1-5 Year Actively Managed Portfolio | \$ 43,510,833         | \$ 199,751          | \$ 2,545,264                | \$ 1,205,501                | \$ 1,089,500             |
| PFM Fixed Income < 1 Year Short Term Portfolio       | 2,497,420             | 11,340              | 357,675                     | 864,539                     | 773,044                  |
| FL PALM/TD Custody Money Market                      | 53,374,516            | 245,579             | 2,799,202                   | 2,386,663                   | 2,697,252                |
| Bank United Money Market                             | 26,579,499            | 111,754             | 1,187,425                   | 934,860                     | 1,038,473                |
| TD Bank NOW Account                                  | 8,287,167             | 29,376              | 346,060                     | 432,901                     | 479,826                  |
| Certificates of Deposit                              | 49,897,282            | 204,600             | 2,239,844                   | 732,748                     | 868,500                  |
| FMIvT 0-2  | 12,067,357            | 77,221              | 573,857                     | 363,939                     | 401,585                  |
| FMIvT 1-3  | 28,676,018            | 283,152             | 1,542,101                   | 748,541                     | 769,898                  |
| FMIvT Intermediate                                   | 19,075                | 278                 | 1,136                       | 418                         | 173                      |
| <b>Total Core Investments</b>                        | <b>\$ 224,909,167</b> | <b>\$ 1,163,052</b> | <b>\$ 11,592,564</b>        | <b>\$ 7,670,110</b>         | <b>\$ 8,118,249</b>      |



## Portfolio Total Return vs. Benchmark

| Core Investments  | August-24<br>Monthly | 2024 Fiscal<br>YTD<br>(11 mo.)    | 2023 Fiscal<br>YTD<br>(11 mo.) | 1 Year       | 3 Years      | 5 Years      |
|---|----------------------|-----------------------------------|--------------------------------|--------------|--------------|--------------|
| <b>Long Term Core Investments Total Return Performance (Discretionary)</b>  |                      |                                   |                                |              |              |              |
| PFM Fixed Income 1-5 Year Actively Managed Portfolio  | 1.18%                | 7.31%                             | 2.98%                          | 6.98%        | 0.90%        | 1.53%        |
| Merrill Lynch 1-5 Year U.S. Treasury/Agency Index   | 1.48%                | 5.47%                             | 2.67%                          | 6.14%        | 0.37%        | 1.05%        |
| Certificates of Deposit (a)   | 0.43%                | 5.00%                             | 4.20%                          | 5.46%        | 3.36%        | N/A          |
| Merrill Lynch 1 Year Treasury Index   | 0.63%                | 5.25%                             | 3.26%                          | 5.54%        | 2.25%        | N/A          |
| FMIvT 0-2   | 0.62%                | 5.26%                             | 3.63%                          | 5.65%        | 2.72%        | 2.11%        |
| ICE BofA ML 1 Yr Treasury Note  | 0.61%                | 5.18%                             | 3.32%                          | 5.53%        | 2.25%        | 1.88%        |
| FMIvT 1-3   | 0.88%                | 6.09%                             | 3.06%                          | 6.10%        | 1.66%        | 1.69%        |
| BOA Merrill Lynch 1-3 Year Govt Index   | 0.89%                | 5.89%                             | 2.49%                          | 5.88%        | 1.03%        | 1.33%        |
| FMIvT Intermediate High Yield   | 1.16%                | 8.30%                             | 2.65%                          | 6.77%        | -0.47%       | 0.61%        |
| Barclays Int G/C ex BAA+ABS+MBS   | 1.29%                | 8.96%                             | 2.92%                          | 6.91%        | -2.14%       | -0.22%       |
| <b>Town's Long Term Core Investments Total Return Performance</b>   | <b>0.97%</b>         | <b>5.44%</b>                      | <b>2.19%</b>                   | <b>5.37%</b> | <b>0.80%</b> | <b>1.17%</b> |
| <b>Total Return Blended Benchmark Performance (b)</b>   | <b>1.12%</b>         | <b>4.89%</b>                      | <b>1.92%</b>                   | <b>4.80%</b> | <b>0.52%</b> | <b>0.96%</b> |
| (a) The monthly return for the Certificates of Deposit is a weighted average monthly yield. The yield is the maximum return the Town can earn if held to maturity.  |                      |                                   |                                |              |              |              |
| (b) The blended benchmark includes the Merrill Lynch 1 Year U.S. Treasury Index, Merrill Lynch 1-5 Year U.S. Treasury/Agency Index, Merrill Lynch 1-3 Year Gov't Index, and the Barclays Capital HQ Intermed Agg. |                      |                                   |                                |              |              |              |
| Short Term Portfolio Yield to Maturity at Cost Performance (Non-Discretionary)  | Annualized Yield     | Annualized Fiscal YTD<br>(12 mo.) | Prior Fiscal YTD<br>(12 mos.)  | 1 Year       | 3 Years      | 5 Years      |
| PFM Fixed Income < 1 Year Short Term Portfolio Yield to Maturity at   | 5.38%                | 5.57%                             | N/A                            | 5.55%        | N/A          | N/A          |
| Cost S&P GIP Government 30 Day Index (c)  | 5.29%                | 5.34%                             | N/A                            | 5.32%        | N/A          | N/A          |
| (c) Short Term Benchmark changed to the Standard & Poor's LGIP30D represents Government Investment Pools Index.   |                      |                                   |                                |              |              |              |

| Money Market Fund Total Return Performance     | Monthly<br>August-24 | 1 Year | 3 Years | 5 Years |
|--|----------------------|--------|---------|---------|
| Florida Public Assets for Liquidity Management | 5.38%                | 5.63%  | N/A     | N/A     |
| iMoneyNet Money Market Fund Index              | 5.17%                | 5.36%  | N/A     | N/A     |

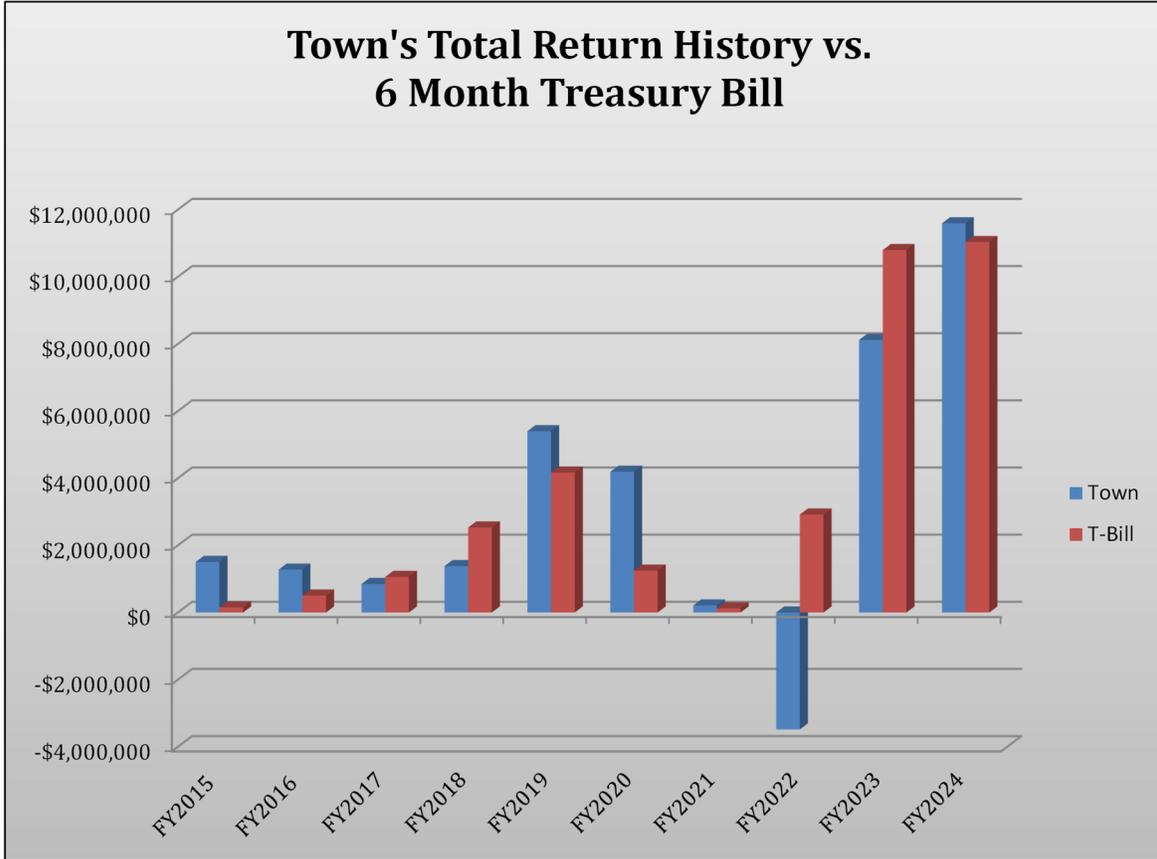
| Total Investment Return   | Monthly<br>August-24 | 2024 Fiscal<br>YTD<br>(11 mo.) | Fiscal YTD<br>Annualized<br>(12 mo.) | 1 Year |
|---|----------------------|--------------------------------|--------------------------------------|--------|
| Blended rate including both short and long term investments,<br>excluding 2013 bond funds | 0.63%                | 5.07%                          | 5.12%                                | 5.36%  |

\*PFM began calculating the Town's Total Investment Return starting January of 2017

## Total Investment Return History

| Fiscal Year  | Town's Total Return  | Estimated Return - 6 Month TBill | Difference            |
|--------------|----------------------|----------------------------------|-----------------------|
| FY2015       | 1,506,923            | 153,068                          | 1,353,855             |
| FY2016       | 1,276,858            | 504,712                          | 772,146               |
| FY2017       | 849,246              | 1,060,160                        | (210,914)             |
| FY2018       | 1,380,900            | 2,531,526                        | (1,150,627)           |
| FY2019       | 5,399,637            | 4,169,137                        | 1,230,500             |
| FY2020       | 4,191,142            | 1,246,291                        | 2,944,851             |
| FY2021       | 209,313              | 123,369                          | 85,945                |
| FY2022       | (3,482,536)          | 2,917,683                        | (6,400,219)           |
| FY2023       | 8,118,249            | 10,795,863                       | (2,677,614)           |
| FY2024       | 11,592,566           | 11,033,843                       | 558,723               |
| <b>Total</b> | <b>\$ 31,042,298</b> | <b>\$ 34,535,653</b>             | <b>\$ (3,493,355)</b> |

### Town's Total Return History vs. 6 Month Treasury Bill



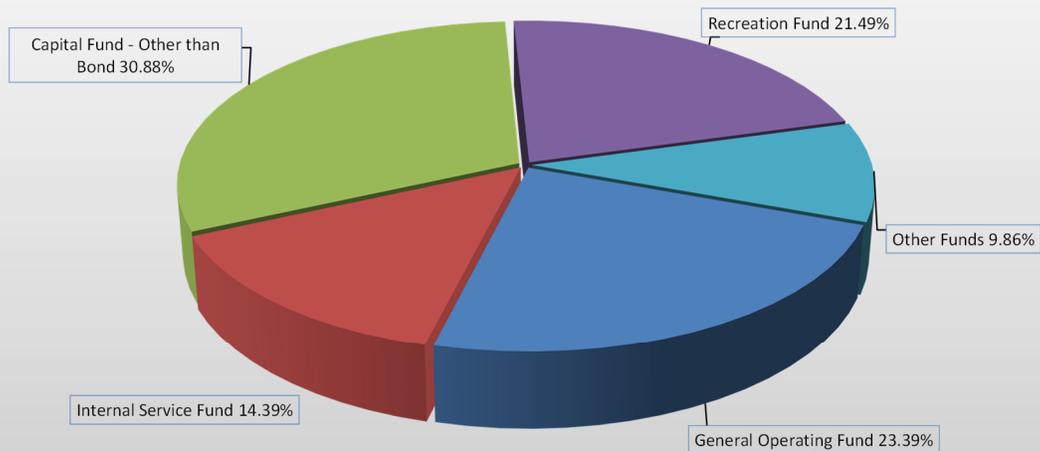
### Town's FY2024 Monthly Investment Return vs 6-Month Treasury Bill

| Period       | Investment Balance | Town's Monthly Total Return | 6 Month T-Bill Rate | Estimated Return - 6 Month T-Bill | Difference        |
|--------------|--------------------|-----------------------------|---------------------|-----------------------------------|-------------------|
| Oct-23       | \$ 199,308,324     | \$ 848,349                  | 5.54%               | 920,140                           | \$ (71,791)       |
| Nov-23       | 200,859,092        | 1,539,826                   | 5.38%               | 900,518                           | 639,308           |
| Dec-23       | 217,436,519        | 1,618,372                   | 5.26%               | 953,097                           | 665,276           |
| Jan-24       | 238,353,820        | 930,089                     | 5.18%               | 1,028,894                         | (98,805)          |
| Feb-24       | 238,719,789        | 349,168                     | 5.30%               | 1,054,346                         | (705,178)         |
| Mar-24       | 239,762,037        | 1,043,492                   | 5.36%               | 1,070,937                         | (27,445)          |
| Apr-24       | 240,118,517        | 224,869                     | 5.44%               | 1,088,537                         | (863,668)         |
| May-24       | 241,205,441        | 1,345,176                   | 5.42%               | 1,089,445                         | 255,731           |
| Jun-24       | 229,781,511        | 1,038,168                   | 5.33%               | 1,020,613                         | 17,555            |
| Jul-24       | 231,317,846        | 1,492,004                   | 5.14%               | 990,811                           | 501,193           |
| Aug-24       | 224,909,167        | 1,163,052                   | 4.89%               | 916,505                           | 246,548           |
| Sep-24       |                    |                             |                     | -                                 | -                 |
| <b>Total</b> |                    | <b>\$ 11,592,566</b>        |                     | <b>\$ 11,033,843</b>              | <b>\$ 558,723</b> |

## Portfolio Composition by Source of Funds

| Investment              | General Operating | Capital           | Internal Service  | Enterprise Funds  | Other Funds       | Total              |
|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
| <b>Non-Bond Funds</b>   |                   |                   |                   |                   |                   |                    |
| PFM Fixed Income:       |                   |                   |                   |                   |                   |                    |
| 1-5 Year                |                   | 31,843,271        | 11,667,562        |                   |                   | 43,510,833         |
| PFM Fixed Income:       |                   |                   |                   |                   |                   |                    |
| < One Year              |                   | 2,497,420         |                   |                   |                   | 2,497,420          |
| Money Market            | 2,703,444         | 15,651,789        | 6,728,396         | 40,986,389        | 22,171,165        | 88,241,182         |
| Certificates of Deposit | 49,897,282        |                   |                   |                   |                   | 49,897,282         |
| FMIvT Fixed Income:     |                   |                   |                   |                   |                   |                    |
| 0-2 Year                |                   | 5,757,923         | 4,136,148         | 2,173,286         |                   | 12,067,357         |
| FMIvT Fixed Income:     |                   |                   |                   |                   |                   |                    |
| 1-3 Year                |                   | 13,682,724        | 9,828,849         | 5,164,445         |                   | 28,676,018         |
| FMIvT Fixed Income:     |                   |                   |                   |                   |                   |                    |
| Intermediate            |                   | 9,102             | 6,538             | 3,435             |                   | 19,075             |
| <b>Total</b>            | <b>52,600,726</b> | <b>69,442,229</b> | <b>32,367,493</b> | <b>48,327,555</b> | <b>22,171,165</b> | <b>224,909,167</b> |

### Source of Funds



## Portfolio Distribution by Maturity

|                               | PFM<br>Investments  | Money Market<br>Accts. | FMivT 0-2<br>Year   | FMivT 1-3<br>Year   | FMivT<br>Intermediate | Certificates<br>of Deposit | Total                |
|-------------------------------|---------------------|------------------------|---------------------|---------------------|-----------------------|----------------------------|----------------------|
| <b>Core Investments</b>       |                     |                        |                     |                     |                       |                            |                      |
| 0 - 6 Months                  | \$3,082,553         | \$88,241,182           | \$1,006,741         | \$374,715           | \$496                 | \$36,140,549               | \$128,846,236        |
| 6 to 12 Months                | 1,987,557           | -                      | 3,399,197           | 1,303,989           | 328                   | 13,756,733                 | 20,447,804           |
| 1 to 2 Years                  | 7,651,173           | -                      | 2,354,710           | 6,557,936           | 541                   | -                          | 16,564,361           |
| 2 to 3 Years                  | 9,316,671           | -                      | 3,348,692           | 7,456,310           | 625                   | -                          | 20,122,299           |
| 3 to 4 Years                  | 10,890,154          | -                      | 1,304,094           | 4,187,346           | 2,540                 | -                          | 16,384,134           |
| 4 to 5 Years                  | 12,307,208          | -                      | 207,014             | 4,630,238           | 2,452                 | -                          | 17,146,912           |
| Over 5 Years                  | 772,939             | -                      | 446,910             | 4,165,483           | 12,095                | -                          | 5,397,427            |
| <b>Total Core Investments</b> | <b>\$46,008,255</b> | <b>\$88,241,182</b>    | <b>\$12,067,357</b> | <b>\$28,676,018</b> | <b>\$19,077</b>       | <b>\$49,897,282</b>        | <b>\$224,909,171</b> |

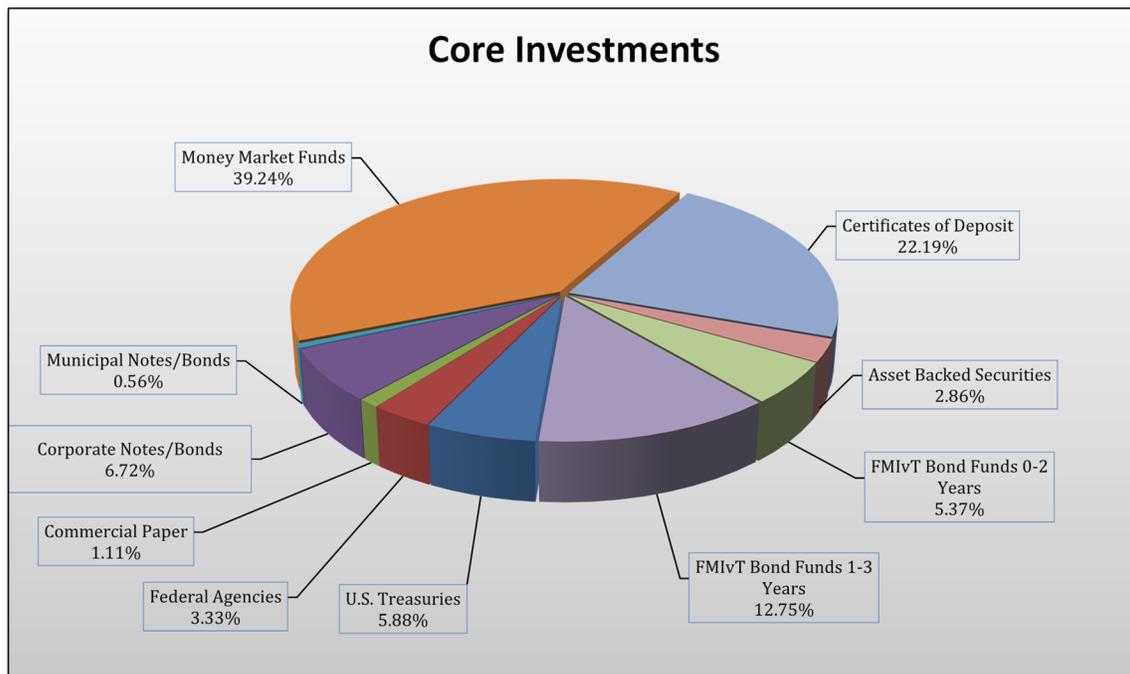


### Core Investments - Weighted Average Duration Calculation

| Investment                         | Market Value          | % of<br>Portfolio | Duration<br>(Yrs) | Weighted Avg.<br>Duration<br>(Yrs) |
|------------------------------------|-----------------------|-------------------|-------------------|------------------------------------|
| PFM Fixed Income 1-5 Year          | \$ 43,510,833         | 19.35%            | 2.46              | 0.48                               |
| PFM Fixed Income < 1 Year          | \$ 2,497,420          | 1.11%             | 0.02              | 0.00                               |
| FEITF/TD/Bank United Money Market  | \$ 88,241,182         | 39.23%            | 0.17              | 0.07                               |
| ServisFirst Certificate of Deposit | \$ 13,756,733         | 6.12%             | 0.90              | 0.06                               |
| EverBank Certificate of Deposit    | \$ 36,140,549         | 16.07%            | 0.53              | 0.09                               |
| FMivT 0-2                          | \$ 12,067,357         | 5.37%             | 0.77              | 0.04                               |
| FMivT 1-3                          | \$ 28,676,018         | 12.75%            | 1.66              | 0.21                               |
| FMivT Intermediate                 | \$ 19,075             | 0.01%             | 4.29              | 0.00                               |
| <b>Total</b>                       | <b>\$ 224,909,167</b> | <b>100.00%</b>    |                   | <b>0.94</b>                        |

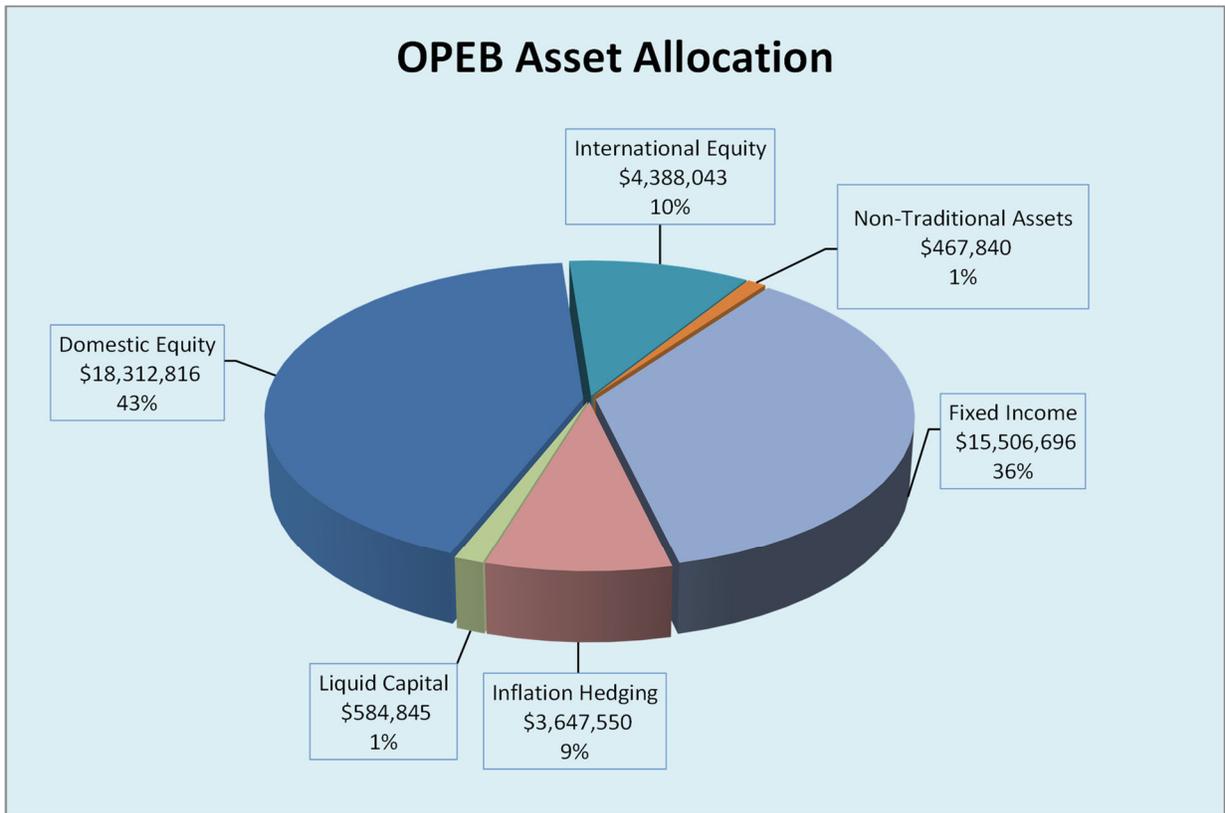
## Portfolio Composition by Security Type

| Security Type  | Value                 | Distribution   |
|--|-----------------------|----------------|
| <b>Core Investments</b>                                    |                       |                |
| U.S. Treasuries  | \$ 13,218,046         | 5.88%          |
| Federal Agencies   | 7,493,292             | 3.33%          |
| Commercial Paper   | 2,497,420             | 1.11%          |
| Corporate Notes/Bonds                                      | 15,111,861            | 6.72%          |
| Municipal Notes/Bonds                                      | 1,263,618             | 0.56%          |
| <b>Asset Backed Security/Collateralized</b>                |                       |                |
| Mortgage Obligation  | 6,424,017             | 2.86%          |
| Money Market Funds   | 88,241,182            | 39.23%         |
| Certificates of Deposit                                    | 49,897,282            | 22.19%         |
| Florida Municipal Investment Trust Bond Funds 0-2 Years    | 12,067,357            | 5.37%          |
| Florida Municipal Investment Trust Bond Funds 1-3 Years    | 28,676,018            | 12.75%         |
| Florida Municipal Investment Trust Intermediate Bond Funds | 19,075                | 0.01%          |
| <b>Total Core Investments</b>                              | <b>\$ 224,909,167</b> | <b>100.00%</b> |



**Health Insurance Trust (OPEB) Performance**  
**As of August 31, 2024**  
**Market Value \$42,907,791**

|              | QTD  | Fiscal YTD | Calendar |       |       | 5 Yrs | Return Since May 2007 |
|--------------|------|------------|----------|-------|-------|-------|-----------------------|
|              |      |            | YTD      | 1 Yr  | 3 Yrs |       |                       |
| Total Fund   | 3.56 | 18.82      | 10.20    | 15.09 | 3.47  | 7.63  | 4.79                  |
| Target Index | 3.41 | 17.54      | 9.45     | 14.03 | 3.67  | 7.98  | NA                    |

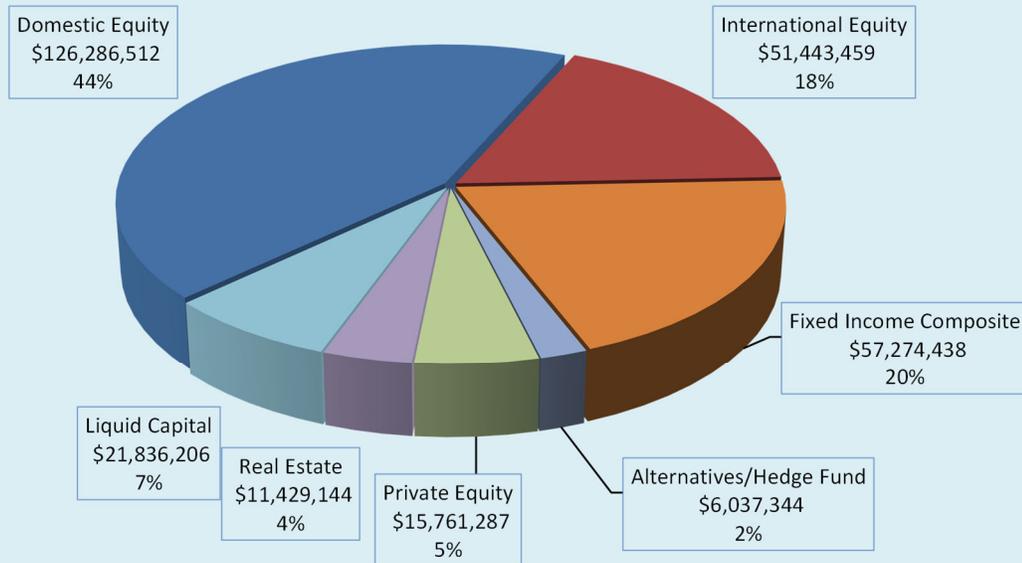


**Town of Palm Beach Retirement System Performance**  
**As of August 31, 2024**  
**Market Value \$290,068,391**

Preliminary returns for period

|              | Quarter | Fiscal YTD | 1 Year | 3 Years | 5 Years |
|--------------|---------|------------|--------|---------|---------|
| Total Fund   | 3.71    | 18.13      | 13.48  | 1.70    | 7.00    |
| Target Index | 3.63    | 20.51      | 16.15  | 4.44    | 9.45    |

**Retirement Asset Allocation**



**Town of Palm Beach  
Certificate of Deposit Schedule  
8/31/2024**

| Amount              | Date                          |               | Term   | Yield |
|---------------------|-------------------------------|---------------|--------|-------|
|                     | Purchased                     | Maturity Date |        |       |
| <b>ServisFirst</b>  |                               |               |        |       |
| \$ 8,000,000        | 7/12/2023                     | 7/12/2025     | 24 mo. | 5.29% |
| 5,000,000           | 8/18/2023                     | 8/18/2025     | 24 mo. | 5.61% |
| <u>13,000,000</u>   | Sub Total ServisFirst         |               |        |       |
| <b>EverBank</b>     |                               |               |        |       |
| \$10,000,000        | 1/22/2024                     | 1/22/2025     | 12 mo. | 5.00% |
| \$10,000,000        | 1/22/2024                     | 1/22/2026     | 24 mo. | 4.40% |
| <u>20,000,000</u>   | Sub Total EverBank            |               |        |       |
| <u>\$33,000,000</u> | Total Certificates of Deposit |               |        |       |