



TOWN OF PALM BEACH

TENTATIVE AGENDA: SUBJECT TO REVISION

**INVESTMENT ADVISORY COMMITTEE MEETING
COUNCIL CHAMBERS
SECOND FLOOR, TOWN HALL
360 SOUTH COUNTY ROAD**

**FEBRUARY 17, 2017
2:30 P.M.
WELCOME!**

- I. CALL TO ORDER AND ROLL CALL
 - Dr. Michael Andrews, Chairman
 - Mr. Andrew Frazier
 - Mr. Kevin McCluskey
 - Mr. Bernard R. Panfel
 - Mr. Chris Storkerson
- II. PLEDGE OF ALLEGIANCE
- III. APPROVAL OF AGENDA
- IV. COMMUNICATION FROM CITIZENS
- V. APPROVAL OF MINUTES
 - a. MINUTES FROM NOVEMBER 18, 2016 MEETING
- VI. FIDUCIARY LIABILITY POLICY RENEWAL
[Judy Arenz, Arthur J. Gallagher]
- VII. ACTUARIAL REPORT DISCUSSION
[Clete Anderson, Willis, Towers Watson via phone]
- VIII. PFM ASSET MANAGEMENT – QUARTERLY PERFORMANCE UPDATE
[Scott Stitcher, PFM Asset Management]
 - a. INVESTMENT POLICY UPDATE
- IX. DECEMBER INVESTMENT REPORT

**MINUTES OF THE INVESTMENT ADVISORY COMMITTEE MEETING
HELD ON FRIDAY, NOVEMBER 18, 2016**

I. CALL TO ORDER AND ROLL CALL

The Investment Advisory Committee meeting was called to order on Friday, November 18, 2016, at 2:30 p.m., in the Town Council Chambers. On roll call, all members were found to be present, with the exception of Committee Member Storkerson and Committee Member McCluskey. A quorum was present.

II. PLEDGE OF ALLEGIANCE

Chairman Andrews led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Chairman Andrews asked for an approval of the agenda dated November 18, 2016. Vice Chairman Panfel made a motion to approve the agenda. Agenda was approved.

IV. COMMUNICATION FROM CITIZENS – *None*

V. APPROVAL OF MINUTES

a. MINUTES FROM AUGUST 19, 2016 MEETING

A motion was made by Vice Chairman Panfel. A Second motion was made by Committee member Frazier. The August 19, 2016 minutes were approved.

**VI. FLORIDA MUNICIPAL INVESTMENT TRUST – QUARTERLY
PERFORMANCE UPDATE**

[Jeff Blomley, Florida League of Cities, Jim Womack, Atlanta Capital]

Jim Womack presented the quarterly performance report. Income interest rates have begun to tick up. The 2-year area of the yield curve was where the greatest improvements occurred, 2-year treasury yields were up 18 basis points in the quarter and produced a negative rate of return. The 10-year was up 13 basis points and returned - 3/4%. The performance of the intermediate portfolio roughly matched the benchmark.

1-3 year high quality bond fund was positive, 14 basis points in the quarter. The 1-3 year government index was -10 basis points.

Chairman Andrews asked Mr. Womack what he expects the Fed to do in the upcoming quarter. Mr. Womack expects the Fed to tighten in December. The policy shifts that will be happening will have an effect. Committee member Frazier asked for confirmation that Mr. Womack will not be changing their position(s). Mr. Womack confirmed that no positions will be changed.

At the request of Sean Higman of Prime Buchholz; Scott Stitche of PFM Asset Management will go first.

VII. PFM ASSET MANAGEMENT – QUARTERLY PERFORMANCE UPDATE

[Scott Stitche, PFM Asset Management]

Mr. Stitche was in agreement with Mr. Womack on the outlook of the economy including that the new policies would improve the economy.

1-5 year portfolio, the quarter end was \$18,645,000 the yield at cost was 1.32%. Duration of the portfolio was 2.61 years. The quarter was down .07%, the benchmark was -.17%. At the end of the fiscal year September 30, 2016 the portfolio was up 1.8%, 29 basis points.

Committee member Frazier asked Mr. Stitche to give a sense of range of duration vs. the index over time. Mr. Stitche's stated that PFM is typically are more defensive with taking less interest rate risk, rather than taking more.

Mr. Stitche wanted to remind the committee that there is reference to an S&P triple "B" rating, but Fitch and Moody's rate the security "A", which is within the Town of Palm Beach's policy guidelines.

Short term bond proceeds, there is a yield to maturity on a weighted average of .94% on all the short term money, and a yield to maturity at market of .77% vs. the benchmark of .45%, a market value of \$38,000,000. The PFM short term portfolio stands at \$8.5 million, shared on two A1 rated pieces of paper.

Bond proceed portfolio allocation is now 25% treasury, 25% agency and about 46% in corporates. The yield at cost .98% at AA.

Mr. Stitche made a final note that the quarter to date is -.48%, 7 bps of out performance compared to benchmark.

Chairman Andrews asked Mr. Stitche to review the benchmark comparison. Mr. Stitche revisited that decision made to move out of the prime money market fund in the face of new FCC regulation; and utilize the Florida Education Investment Trust Fund. The seven-day yield is .71%

Mr. Stitcher included a policy and reminded the committee of the idea of lifting the 10% limit on single A corporates and introducing supranationals. They would act as a substitute or a proxy for those sectors.

IX. PRIME BUCHHOLZ - QUARTERLY PERFORMANCE UPDATE

[Sean Higman, Prime Buchholz]

Mr. Higman opened the discussion regarding fees and hedge funds. Looking at asset allocation and new ideas to address some of the issues that have been raised. Prime Buchholz position is that the Town of Palm Beach should not abandon diversification. The total fund was up 3.6%. The diversified portfolio matched or beat the balanced stocks and bonds portfolio. The domestic equity portfolio outperformed at 4.6%. The monies that are being taken out of Archstone will be available at the end of January 2017 for reinvestment.

a. Asset Allocation

Caution is given on moving away from diversification. There is a possibility to take money out of the hedge funds and reinvest in other asset classes. Mr. Higman suggested a series of mixes where he would take 5% chunks out of the flexible capital and redistributing it in long equity. Prime Buchholz believes that hedge funds return over a long period of time are not going to get close to equity returns but they will get there with less volatility. We would continue allocation of 20% to hedge funds but change the classifications. Mr. Higman would also like to incorporate unconstrained bond funds, Blackrock and Loomis Sales. Additionally, allocations in Nuveen would be rolled it over to VanEck and, over time, adding real estate.

b. Discussion of New Investment Ideas

Committee member Frazier, confirmed that Archstone liquidation would be 100%. Mr. Higman stated that 95% would be now, 5% would be in June. Mr. Frazier added that it would be a better to revisit this when we receive the funds.

c. Investment of additional Contribution

Mr. Higman suggested holding in abatement the additional contribution pending the conversation with what to do with and how to invest Archstone holdings.

(Mr. Stitcher, PFM, returned to the podium to revisit highlights within the Investment Policy)

Mr. Stitcher would like to clean up and revise the policy to reflect new statutes and remove some that no longer apply as well as some of the agencies that fall in an “umbrella” category. The addition of Supranationals and Asset Back Securities would be suggested as well as the removal of the 10% limit to single A credits including commercial paper and corporates together, increasing the allocation from 35% to 50%.

Chairman Andrews asked for a definition of a Supranational. Mr. Stitcher replied with defining one as a multinational financial instrumentality. They are mission orientated. Mr. Stitcher used the World Bank as an example. PFM would only use AAA names in this capacity, in which the US is a shareholder. Mr. Frazier inquired that if you increase the corporate allocation to 50% are there industry limitations within that, as we don't want half of the portfolio to end up as finance paper. Mr. Stitcher stated that specific industry limitations could be written in the policy if needed.

Jane Struder asked Chairman Andrews if the agenda for February's meeting should have the finalization of Investment Policy for Surplus Funds. Chairman Andrews would like it on the agenda.

X. SEPTEMBER INVESTMENT REPORT

Jane Struder stated that at the end of the fiscal year, September 30, 2016, there was \$105 million in the surplus funds and the interest earnings for the year were \$1,276,858. The long-term blended return for the fiscal year was 1.56%. Chairman Andrews inquired about Certificates of Deposit and does the Town still have them and if so, are they an attractive in this market. Ms. Struder replied that we have not had any come due for renewal at this time. We have about \$8 million in CD's. Vice Chairman Panfel inquired if we still have Bank United CD's and Ms. Struder replied that yes, the Town has CD's with Bank United. Ms. Struder can provide a list if requested. Chairman Andrews asked if there is a term limit on the CD's to which Ms. Struder replied that yes, we have a term limit of 5 years, although, there may be a few from before the term limit was instituted.

XI. 2017 PROPOSED MEETING SCHEDULE

NEXT MEETING: FEBRUARY 17, 2017 AT 2:30PM

XII. ANY OTHER MATTERS

None

XIII. ADJOURNMENT

There being no further business, the November 18, 2016 Investment Advisory Committee meeting was adjourned at 4:20 p.m.

APPROVED:

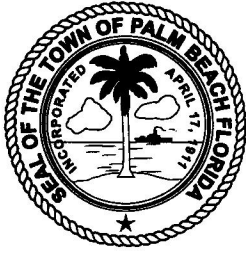
Dr. Michael F. Andrews, Chairman

- X. DISCUSSION REGARDING OPEB TRUST INVESTMENT COSULTANT
- XI. UPDATE ON INVESTMENT ADVISORY COMMITTEE OVERSITE OF ONE-CENT SURTAX
- XII. ANNUAL REPORT TO THE TOWN COUNCIL
[Dr. Michael Andrews, Chairman]
- XIII. 2017 UPCOMING MEETING SCHEDULE
 - a. NEXT MEETING: MAY 19, 2017 AT 2:30PM
- XIV. ANY OTHER MATTERS
- XV. ADJOURNMENT

PLEASE TAKE NOTE:

The progress of this meeting maybe monitored by visiting the Town's web site, (www.townofpalmbeach.com) and clicking on the “meeting Audio” in the left column. If you have questions regarding that feature, please contact the Office of Information Systems (561) 227-6315. The audio recording for this meeting will appear within 24 hours after the conclusion of the meeting.

Disabled persons who need an accommodation in order to participate in the Investment Advisory Committee meeting are requested to contact the Town Manager’s Office at 838-5410 or through the Florida Relay Service by dialing 1-800-955-8770 for voice callers or 1-800-955-8771 for TDD callers, at least two (2) working days before this meeting.



TOWN OF PALM BEACH

Office of Risk Management

To: Investment Advisory Board for the Health Insurance Trust

Via: Jane Struder, Finance Director *JS*

From: Karen Temme, Risk Manager

Re: Town of Palm Beach Investment Advisory Board
for the Health Insurance Trust
Fiduciary Liability Insurance Renewal
Policy Period March 5, 2017 – March 5, 2018

Date: February 7, 2017

STAFF RECOMMENDATION

It is recommended that the Board obtain the Fiduciary Liability insurance policy with Travelers at a \$2,000,000 limit of liability for each claim with a zero deductible for an annual premium of \$4,975.00. The waiver of recourse and spousal extension is included in this premium.

It is recommended that the Board grant authority to Fund Manager, Jane Struder to approve the Fiduciary Liability coverage for the renewal date of March 5, 2017.

GENERAL INFORMATION

The Fiduciary Liability coverage protects the assets of the Town, individual fiduciaries, administrators, trustees, and the plan. A fiduciary protected by this coverage includes any person who exercises any discretionary authority or control with respect to the management or administration of the Town's Investment Advisory Board for the Health Insurance Trust or its assets.

The Town Council adopted Ordinance Number 24-07 – Right to Indemnification for Elected and Appointed Officials on November 13, 2007. This Ordinance was adopted to provide additional protection while acting in the capacity as an elected and appointed official.

The expiring Fiduciary Liability policy for March 5, 2016 through March 5, 2017 is with Federal Insurance Company with a \$2,000,000 aggregate limit of liability and zero deductible at an annual premium of \$5,109.

The Town's insurance agent, Judy Arenz, CPCU with Arthur J. Gallagher & Co. has obtained the following quotes for the March 5th renewal. Staff is recommending the Board approve the quote provided by Travelers.

Carrier	Federal Insurance Co.	Travelers
Limit each claim	\$2,000,000	\$2,000,000
Aggregate Limit	\$2,000,000	None
Subrogation & Waiver of Recourse	Included	Included
Spousal & Domestic Partner Liability Coverage	Included	Included
Deductible	\$0	\$0
Premium	\$5,877	\$4,975
A.M. Best Rating	A++ XV	A++ XV

If you have any questions, please feel free to contact me. Judy Arenz, CPCU with Arthur J. Gallagher will be present at the February 17, 2017 Investment Advisory Board meeting should there be any questions regarding this renewal.

c: Jay Boodheshwar, Deputy Town Manager
Judy Arenz, CPCU, Arthur J. Gallagher

Town of Palm Beach

**Postretirement Benefit
Valuation Report Under GASB**

45

**Expense Development for Fiscal Year Beginning
October 1, 2016**

December 29, 2016



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Executive Summary

This report has been prepared by Willis Towers Watson for the Town of Palm Beach for the following purposes:

- To provide the September 30, 2016 reporting and disclosure information for financial statements, governmental agencies, and other interested parties required in the Statement of Governmental Accounting Standards No. 45 (SGAS 45)
- To present the SGAS 45 expense for the year beginning October 1, 2016
- To summarize the actuarial methods, assumptions, and data used in the calculation.

The Town of Palm Beach is providing a retiree medical program for employees who meet eligibility requirements upon retirement. Under SGAS 45 retiree benefits are treated as a form of deferred compensation. As such, the benefits are treated as being earned over the working lifetime of the employee so that the cost is fully charged to operations at the earliest date of eligibility under the plan.

The SGAS 45 Annual Required Contribution (ARC) (also called the "expense") and the Actuarial Accrued Liability (AAL) are summarized in Table 1:

Table 1:

Actuarial Accrued Liability (AAL) as of 9/30/2016	\$34,693,373
Present Value of Future Benefits as of 9/30/2016	\$38,743,838
ARC for Year Beginning 10/1/2016	\$1,358,775
Annual OPEB Cost for Year Beginning 10/1/2016	\$1,008,372

Changes Since Prior Valuation

There have been no substantive plan changes since the prior valuation.

The census has been updated to reflect the current population.

The mortality assumption has been updated from RP-2014 Fully Generational using Projection Scale MP-2014 to RP-2014 Mortality Fully Generational using Projection Scale 15. This has resulted in an \$260,327 decrease in the liability.

Other assumptions are consistent with those used in the prior valuation.

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Section 1: Accounting Information

SGAS 45 requires that certain information regarding postretirement benefits other than pension benefits be disclosed in the footnotes to the sponsor's financial statements. The disclosures include a statement of annual required contribution, actuarial accrued liability, reconciliation of the plan's funded status, and a statement of assumptions and amortization methods.

Presented in this section is an illustration of this information for the prior year.

Section 1.1: Development of Annual OPEB Cost for Year Ending 9/30/2017

Section 1.2: Actuarial Accrued Liability by Source

Section 1.3: Development of Net OPEB Obligation as of 9/30/2017

Section 1.4: Schedule of GASB Funding Progress

Section 1.5: Summary of Other Actuarial Cost Method

Section 1.1: Development of Annual OPEB Cost for Year Ending 9/30/2017**Actuarial Cost Method - Projected Unit Credit Method**

Normal Cost	\$511,552
Interest on Normal Cost	\$18,836
Normal Cost Component	\$530,388
Actuarial Accrued Liability (AAL)	\$1,693,373
Actuarial Value of Assets	\$1,500,000
Unfunded Actuarial Accrued Liability (UAAL)	\$193,373
Funded Ratio	59.7%
Amortization Method	Open
Amortization Period	30 years
Discount Rate	7.50%
Amortization Factor	18.259
Annual Amortization	\$1,713,785
Interest on Amortization Payment	\$63,105
Amortization Component	\$1,776,890
Net OPEB Obligation	(\$17,318,747)
Interest on Net OPEB Obligation	(\$1,298,906)
Amortization Factor	18.259
Adjustment to Required Contribution	(\$948,504)
Annual Required Contribution (ARC)	\$1,358,775
Annual OPEB Cost	\$1,008,372

Amortization of Unfunded Actuarial Accrued Liability is a Level Percentage of Payroll

Section 1.2: Actuarial Accrued Liability by Source

Inactives	\$20,964,790
Actives Fully Eligible	\$7,776,702
Actives Not Fully Eligible	\$5,951,881
Total	\$34,693,373

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Section 1.3: Development of Net OPEB Obligation as of 9/30/2017

Annual Required Contribution (ARC)	\$1,358,775
Interest on net OPEB Obligation	(\$1,298,906)
Adjustment to Annual Required Contribution	(\$948,504)
Annual OPEB Cost	\$1,008,373
Projected Pay-as-you-go Expense	1,253,580
Net OPEB Obligation - Beginning of Year	(\$1,563,955)
Prefunding	
Net OPEB Obligation - Projected End of Year	(\$17,563,955)

Section 1.4: Schedule of GASB Funding Progress

Year Ended	Annual Required Contribution	Interest on NOO	ARC Adjustment	Amortization Factor
9/30/2008				
9/30/2009				
9/30/2010	1,663,000	(1,151,750)	(1,918)	17.3056
9/30/2011	1,796,040	(1,184,960)	(906)	17.3056
9/30/2012	1,939,723	(1,190,241)	(31)	17.3056
9/30/2013	1,331,061	(1,180,945)	(83)	17.3056
9/30/2014	1,435,904	(1,242,215)	(897,211)	17.3056
9/30/2015	1,114,472	(1,235,815)	(902,567)	18.2590
9/30/2016	1,224,367	(1,270,000)	(932,076)	18.2590
9/30/2017	1,358,774	(1,250,000)	(48,504)	18.2590
	(6)	(7)	(8)	(9)
Year Ended	OPEB Cost	Contribution	Net OPEB Obligation	Net OPEB Obligation Balance (Beginning Balance + (8))
	(4)		(6) - (7)	(8)
9/30/2008	2,289,000	1,466,000	823,000	0
9/30/2009	1,350,000	1,649,000	(299,000)	(14,097,870)
9/30/2010	1,134,870	1,550,000	(415,130)	(14,396,870)
9/30/2011	1,466,986	1,533,000	(66,014)	(14,812,000)
9/30/2012	1,099,203	1,493,000	116,203	(14,878,014)
9/30/2013	1,012,122	1,769,000	(765,878)	(14,761,811)
9/30/2014	1,114,472	2,043,251	(952,300)	(15,527,690)
9/30/2015	781,000	1,319,831	(538,791)	(16,479,990)
9/30/2016	880,034	1,180,000	(299,966)	(17,018,781)
9/30/2017	1,008,372	1,253,580	(245,208)	(17,318,747)
				(17,563,955)

Section 1.5: Summary of Other Actuarial Cost Methods

	Cost Method		
	Unit Credit	Entry Age Normal Level \$	Aggregate Level \$
Actuarial Accrued Liability (AAL)	\$34,693,711	\$34,693,711	\$0
Assets	(\$20,720,099)	(\$20,720,099)	(\$20,720,099)
Unfunded Actuarial Accrued Liability (UAAL)	\$13,973,612	\$14,407,612	(\$20,720,099)
Net OPEB Obligation	(\$17,318,747)	(\$17,318,747)	(\$17,318,747)
UAAL Subject to Amortization	\$13,973,274	\$14,407,062	(\$20,720,099)
Normal Cost	\$511,552	\$511,552	\$6,605,920
Interest Cost	\$0	\$50,145	\$201,458
Amortization of UAAL	\$789,039	\$789,039	(\$1,134,788)
Adjustment to ARC	(\$948,504)	(\$948,504)	\$0
Annual Required Contribution (ARC)	\$508,802	\$508,802	\$5,672,591

	Cost Method	
	Frozen Entry Age Level \$	Frozen Attained Age Level \$
Actuarial Accrued Liability (AAL)	\$34,693,711	\$34,693,373
Assets	(\$20,720,099)	(\$20,720,099)
Unfunded Actuarial Accrued Liability (UAAL)	\$14,407,062	\$13,973,274
Net OPEB Obligation	(\$17,318,747)	(\$17,318,747)
UAAL Subject to Amortization	\$14,407,062	\$13,973,274
Normal Cost	\$616,512	\$690,688
Interest Cost	\$51,755	\$88,538
Amortization of UAAL	\$789,039	\$1,713,785
Adjustment to ARC	(\$948,504)	(\$948,504)
Annual Required Contribution (ARC)	\$508,802	\$1,544,507

Section 2: Supporting Documentation

Number of Participants in Valuation as of 9/30/2016	
Retirees	232
Actives	339
Total	571
Weighted Average Assumptions as of 9/30/2016	
Discount Rate	7.50%
Expected Long-Term Rate of Return on Assets	5.00%
Assumed Health Care Cost Trend	
2017	8.0%
decreasing by 0.5% annually to an ultimate rate of 5.0%	

Section 3: Basis of Valuation

Section 3.1: Plan Participants

Section 3.2: Actuarial Basis

Section 3.3: Assumptions

Draft

Section 3.1: Plan Participants

The valuation includes all active employees and current retirees and their spouses who are currently receiving benefits under the retiree medical plan.

Exhibit 3.1a: Count of Active Participants

Exhibit 3.1b: Count of Inactive Participants

Draft

Exhibit 3.1a: Count of Active Participants

Age	Years of Service							Total
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30+	
Under 20	2	0	0	0	0	0	0	2
20 - 24	9	0	0	0	0	0	0	9
25 - 29	33	1	0	0	0	0	0	34
30 - 34	18	9	4	0	0	0	0	31
35 - 39	16	5	10	3	0	0	0	34
40 - 44	14	1	15	10	3	0	0	46
45 - 49	15	6	10	9	9	2	0	61
50 - 54	11	7	16	9	3	3	0	52
55 - 59	13	5	6	7	3	3	0	42
60 - 64	3	3	5	4	2	2	0	22
65 - 69	2	1	2	1	0	0	0	6
70+	0	0	0	0	0	0	0	0
Total	136	38	68	43	20	10	4	339

Statistics for Active Participants

Average Age 44.9
 Average Service 9.9
 Percent Male 73.7%

Exhibit 3.1b: Count of Inactive Participants

Age	Single	Married	Total
Under 50	5	1	6
50 - 54	6	5	11
55 - 59	33	12	45
60 - 64	37	9	46
65 - 69	30	12	42
70 - 74	24	11	35
75- 79	19	8	27
80+	16	4	20
Total	170	62	232

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Section 3.3: Assumptions

Discount Rate: 7.5%

Mortality: RP-2014 Mortality Fully Generational using Projection Scale MP-2015

Length of Service	Annual Termination Rates		
	General	Police/Fire	Lifeguard
1	40.0%	15.0%	15.0%
2	25.0%	10.0%	10.0%
3	15.0%	8.0%	8.0%
4	10.0%	7.0%	7.0%
5	7.0%	6.0%	6.0%
Age	General	Police/Fire	Lifeguard
20	6.00%	5.00%	5.00%
25	6.00%	5.00%	5.00%
30	5.50%	4.50%	4.50%
35	4.40%	3.50%	3.50%
40	1.85%	1.45%	1.45%
45	1.25%	0.75%	0.75%
50	1.25%	0.75%	0.75%
55	1.25%	0.75%	0.75%
60 & over	1.25%	0.75%	0.75%

New Employees:

Disability Rate:

Age	Annual Rate Retirement		
	General	Police/Fire	Lifeguard
45	15.0%	0.0%	25.0%
50	15.0%	0.0%	25.0%
51	10.0%	0.0%	25.0%
55	15.0%	70.0%	25.0%
60	15.0%	100.0%	50.0%
61	15.0%	100.0%	60.0%
62	30.0%	100.0%	70.0%
63	15.0%	100.0%	80.0%
64	15.0%	100.0%	90.0%
65	60.0%	100.0%	100.0%
66	30.0%	100.0%	100.0%
67	40.0%	100.0%	100.0%
68	50.0%	100.0%	100.0%
69	90.0%	100.0%	100.0%
70	100.0%	100.0%	100.0%

Retiree Contributions:

	Total Actuarial Premiums		
	PPO	POS	HMO
Under age 65			
Retiree	\$920.11	\$797.96	\$792.17
Retiree + 1	\$1,941.43	\$1,681.93	\$1,681.99
Retiree + 2	\$2,472.05	\$2,126.41	\$2,126.41
Retiree + 3	\$3,002.69	\$2,570.90	\$2,570.90
Age 65 & over			
Retiree	\$454.00	\$389.96	\$389.96
Retiree + 1	\$961.04	\$825.00	\$825.00

	Maximum Premium Chargeable		
	PPO	POS	HMO
Under age 65			
Retiree	\$594.90	\$594.90	\$594.39
Retiree + 1	\$1,260.86	\$1,260.86	\$1,260.77
Retiree + 2	\$1,768.20	\$1,500.68	\$1,500.68
Retiree + 3	\$2,275.53	\$1,925.65	\$1,925.65
Age 65 & over			
Retiree	\$454.00	\$389.96	\$389.96
Retiree + 1	\$961.04	\$825.00	\$825.00

Retiree contributions are based on a sliding scale depending on years of service and the pension benefit. Maximum indicates that the retiree pays 100% of the maximum amount allowed under Florida Statute 112.06.

Years of Service	Pension Benefit Quartile			
	1	2	3	4
25+		52%	56%	Maximum
20 - 24		56%	58%	Maximum
15 - 19	56%	58%	60%	Maximum
10 - 14	Maximum	Maximum	Maximum	Maximum

Attribution Period:

The attribution period is the portion of a participant's service to which the expected postretirement benefit obligation is assigned. The beginning of the attribution period is the date of hire and the end of the attribution period is the earliest eligibility date.

Percentage of Retirees Who are Married: 80%

Draft

Certification

I have prepared the attached actuarial valuation of the Town of Palm Beach's Postretirement Medical Benefit Programs in accordance with Statement of Governmental Accounting Standards No. 45.

We have based the valuation on financial and census data which were provided to us by the Town of Palm Beach. We have not audited the data beyond a check for reasonableness.

All costs, liabilities, and other factors associated with the valuation of the programs have been determined in accordance with generally accepted actuarial principles and procedures that are consistent with the provisions of SGAS 45, including the Actuarial Standard of Practice No. 6 for Measuring Retiree Group Benefit Obligations (American Academy of Actuaries).

The actuarial computations under Statements of Governmental Accounting Standards contained in this report are for the sole purpose of fulfilling employer accounting requirements. The use of the results of this report for other purposes may lead to inappropriate conclusions.

Sheryl Henry, FSA, MAAA
December 29, 2016

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Town of Palm Beach, Florida



Investment Performance Review Quarter Ended December 31, 2016

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- Market Update

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- Executive Summary
- 1-5 Year Investment Portfolio
- Short Term and Bond Proceed Portfolios Summary
- Short Term Portfolio
- 2013 Bond Fund

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- Asset Allocation Chart
- Important Disclosures

Tab I

QUARTERLY MARKET SUMMARY

Summary

- Bond yields and equity prices soared following the U.S. presidential election in November, as President-elect Donald Trump's proposed policies and his intentions to ramp up government spending boosted inflation expectations and growth forecasts. Major stock indexes including the S&P 500, NASDAQ, and Dow Jones Industrial Average closed at record highs during the quarter.
- On December 14, the Federal Open Market Committee (FOMC) raised the federal funds target range by 0.25% to a range of 0.50% to 0.75%. The unanimous decision, in line with market expectations, was the first rate hike since December 2015. The FOMC also released updated economic forecasts and a new "dot plot," forecasting three rate hikes in 2017.
- Central banks outside the U.S. continued to pursue accommodative monetary policy amid slow growth and low inflation. The European Central Bank (ECB) kept its benchmark interest rate at 0% and continued its asset purchase program, as did the Bank of England (BOE). At the same time, the Bank of Japan (BOJ) continued its quantitative easing programs aimed at keeping the 10-year Japanese government bond yield near 0% and expanding money supply until inflation remains above the 2% target.
- The Organization of the Petroleum Exporting Countries (OPEC) agreed in late November to a combined reduction in daily production. The agreement caused the price of oil to increase more than 10% during the fourth quarter.

Economic Snapshot

- The U.S. economy gained momentum during the latter half of the year. The labor market continued to show strength, booking a solid quarter of job gains. The housing market also strengthened in the fourth quarter as Americans continued to take advantage of historically low interest rates, driving home sales to decade-high levels.
- U.S. gross domestic product (GDP) grew at a 3.5% rate in the third quarter, rebounding from modest growth during the first half of 2016. (Fourth quarter GDP data is not yet available.) Consumer spending and exports contributed to the pick-up in expansion, while private inventories grew for the first time since the start of 2015.
- The unemployment rate fell to 4.6% during the fourth quarter — a post-recession low. In another positive sign, job openings remained near record highs, while initial unemployment filings remained near record lows.

December's addition of 156,000 jobs finished a year of solid job growth performance in which the U.S. added 2.2 million net new jobs. For the year, wages rose 2.9%, the fastest pace since 2009.

- Americans continued to feel more confident about the economy as the Conference Board's December reading climbed to a 15-year high, and sentiment strengthened further as the University of Michigan's Consumer Sentiment Index reached its highest level since January 2004.

Interest Rates

- Interest rates surged in the fourth quarter, ending the year with net increases and a steeper yield curve. The two-year Treasury yield increased 43 basis points (bps) for the quarter, while the yield on the 10-year Treasury rose 85 bps — a considerable rebound from July's record-low yield.
- In the money market space, shorter-term Treasury yields rose alongside expectations of a Federal Reserve rate hike. Money market reforms took effect in October, significantly altering the supply-demand dynamic in the money markets. Yields on short-term credit instruments, such as commercial paper and negotiable bank certificates of deposit (CDs), continued to remain elevated and offer significant incremental yield.

Sector Performance

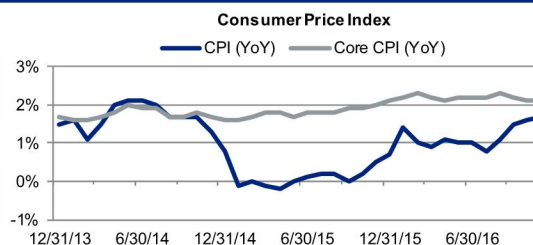
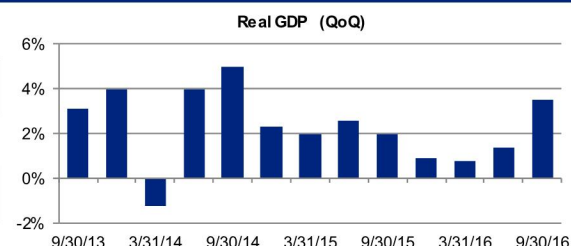
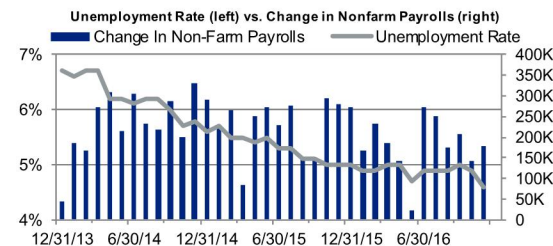
- U.S. Treasury indexes posted losses for the fourth quarter, declining for the second straight quarter as yields rose. For the year, returns were positive but muted. Shorter maturity issues outperformed longer maturities as the yield curve steepened.
- Federal agency yield spreads drifted tighter during the quarter as supply diminished, leading to the sector's modest outperformance relative to comparable-maturity Treasuries.
- Corporate yield spreads remained mostly unchanged until the November 8 presidential election, after which they tightened, reaching new lows for the year. Corporates outperformed Treasuries every quarter in 2016, resulting in the sector's best year since 2012.
- Mortgage-backed securities (MBS) generally underperformed Treasuries amid increased extension risk due to the rise in interest rates. Asset-backed securities (ABS) outperformed Treasuries due to declining prepayment risk.

Economic Snapshot

Labor Market		Latest	Sep 2016	Dec 2015
Unemployment Rate	Nov16	4.6%	5.0%	5.0%
Change In Non-Farm Payrolls	Nov16	178,000	208,000	271,000
Average Hourly Earnings (YoY)	Nov16	2.5%	2.7%	2.6%
Personal Income (YoY)	Nov16	3.5%	3.6%	4.0%
Initial Jobless Claims (week)	12/24/16	265,000	246,000	285,000

Growth		Latest	Sep 2016	Dec 2015
Real GDP (QoQ SAAR)	2016Q3	3.5%	1.4% ¹	2.0% ²
GDP Personal Consumption (QoQ SAAR)	2016Q3	3.0%	4.3% ¹	2.7% ²
Retail Sales (YoY)	Nov16	3.8%	3.3%	2.8%
ISM Manufacturing Survey (month)	Nov16	53.2	51.5	48.0
Existing Home Sales SAAR (month)	Nov16	5.61 mil.	5.49 mil.	5.45 mil.

Inflation / Prices		Latest	Sep 2016	Dec 2015
Personal Consumption Expenditures (YoY)	Nov16	1.4%	1.2%	0.6%
Consumer Price Index (YoY)	Nov16	1.7%	1.5%	0.7%
Consumer Price Index Core (YoY)	Nov16	2.1%	2.2%	2.1%
Crude Oil Futures (WTI, per barrel)	Dec 31	\$53.72	\$48.24	\$37.04
Gold Futures (oz.)	Dec 31	\$1,152	\$1,313	\$1,060



1. Data as of Second Quarter 2016

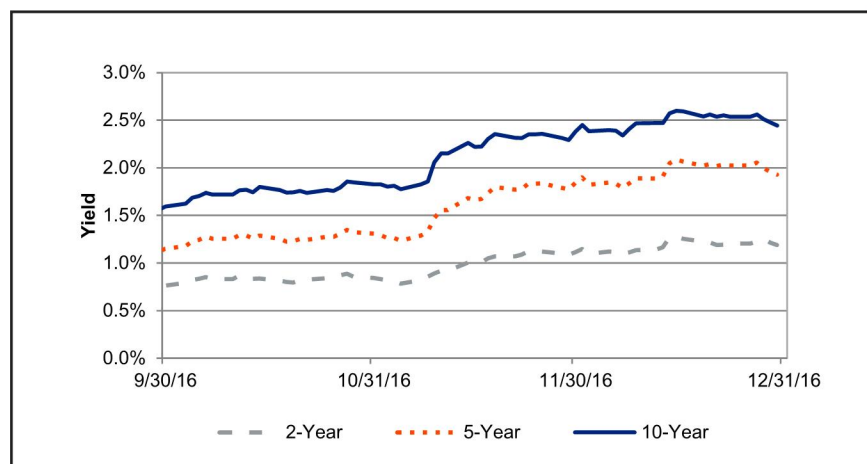
2. Data as of Third Quarter 2015

Note: YoY = year over year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil

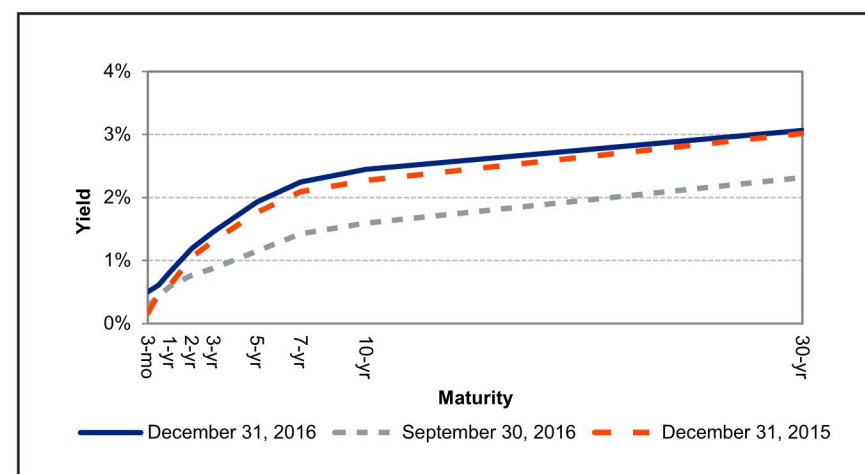
Source: Bloomberg.

Interest Rate Overview

U.S. Treasury Note Yields



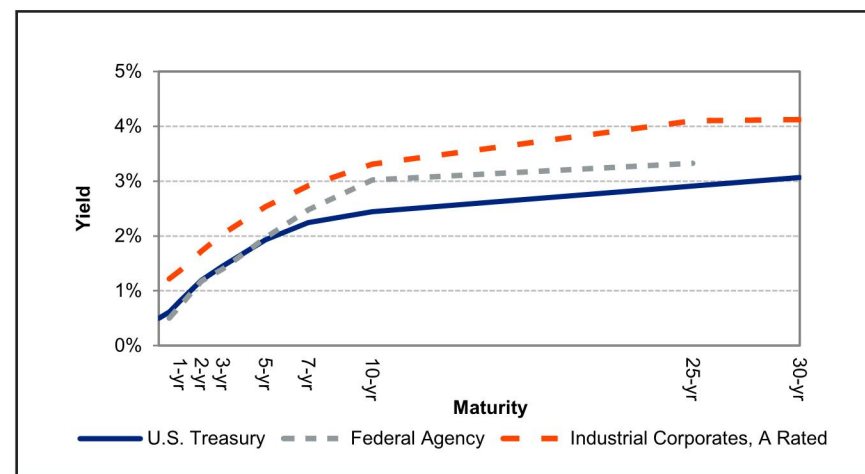
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	12/31/16	9/30/16	Change over Quarter	12/31/15	Change over Year
3-month	0.50%	0.28%	0.22%	0.17%	0.33%
1-year	0.81%	0.59%	0.22%	0.60%	0.21%
2-year	1.19%	0.76%	0.43%	1.05%	0.14%
5-year	1.93%	1.15%	0.78%	1.76%	0.17%
10-year	2.45%	1.60%	0.85%	2.27%	0.18%
30-year	3.07%	2.32%	0.75%	3.02%	0.05%

Yield Curves as of 12/31/16



Source: Bloomberg.

BofA Merrill Lynch Index Returns

	As of 12/31/16		Returns for Periods ended 12/31/16		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.89	1.18%	(0.43%)	0.89%	0.68%
Federal Agency	1.86	1.29%	(0.34%)	0.96%	0.78%
U.S. Corporates, A-AAA rated	1.85	1.89%	(0.28%)	1.81%	1.35%
Agency MBS (0 to 3 years)	2.10	1.95%	(0.91%)	0.52%	1.09%
Taxable Municipals	1.85	2.34%	(0.40%)	2.47%	2.34%
1-5 Year Indices					
U.S. Treasury	2.71	1.42%	(1.09%)	1.09%	1.10%
Federal Agency	2.33	1.45%	(0.72%)	1.12%	1.13%
U.S. Corporates, A-AAA rated	2.72	2.20%	(0.95%)	2.19%	1.94%
Agency MBS (0 to 5 years)	3.31	2.20%	(1.81%)	1.26%	2.12%
Taxable Municipals	2.53	2.41%	(0.80%)	3.15%	3.06%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.23	1.90%	(3.96%)	1.14%	2.63%
Federal Agency	3.97	1.82%	(2.08%)	1.50%	2.17%
U.S. Corporates, A-AAA rated	6.91	3.03%	(3.15%)	4.23%	4.04%
Agency MBS (0 to 30 years)	4.88	2.76%	(1.98%)	1.67%	3.04%
Taxable Municipals	3.86	2.96%	(1.77%)	3.64%	4.19%

Returns for periods greater than one year are annualized.

Source: BofA Merrill Lynch Indices.

Disclosures

The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC (PFMAM) at the time of distribution and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFMAM cannot guarantee its accuracy, completeness, or suitability. This material is for general information purposes only and is not intended to provide specific advice or recommendation. The information contained in this report is not an offer to purchase or sell any securities. PFMAM is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. PFMAM's clients are state and local governments, non-profit corporations, pension funds, and similar institutional investors. www.pfm.com

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Tab II

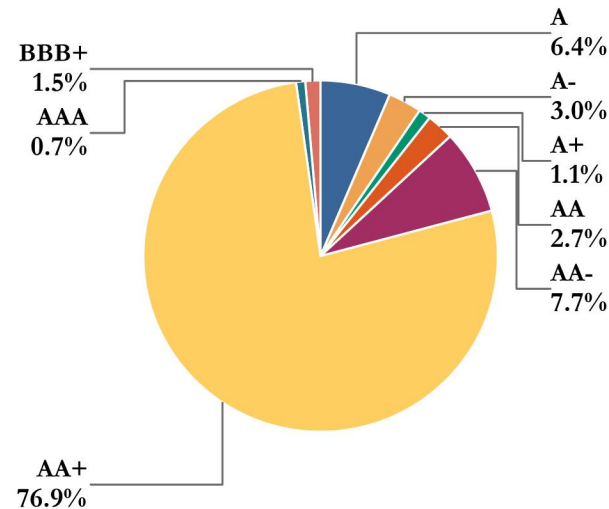
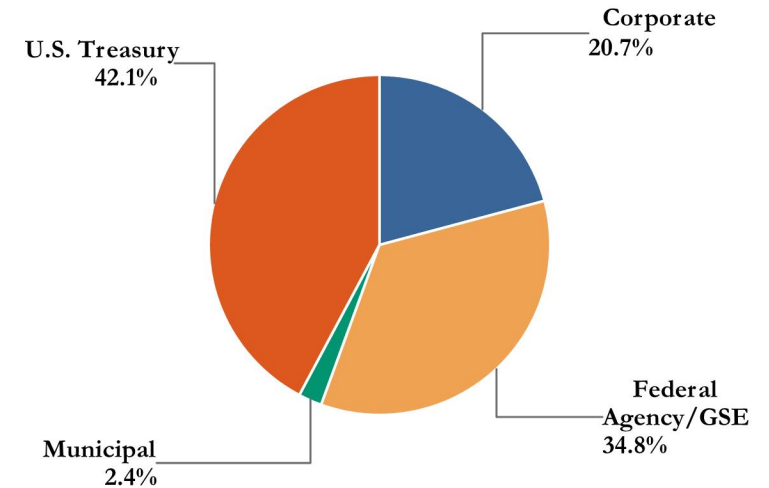
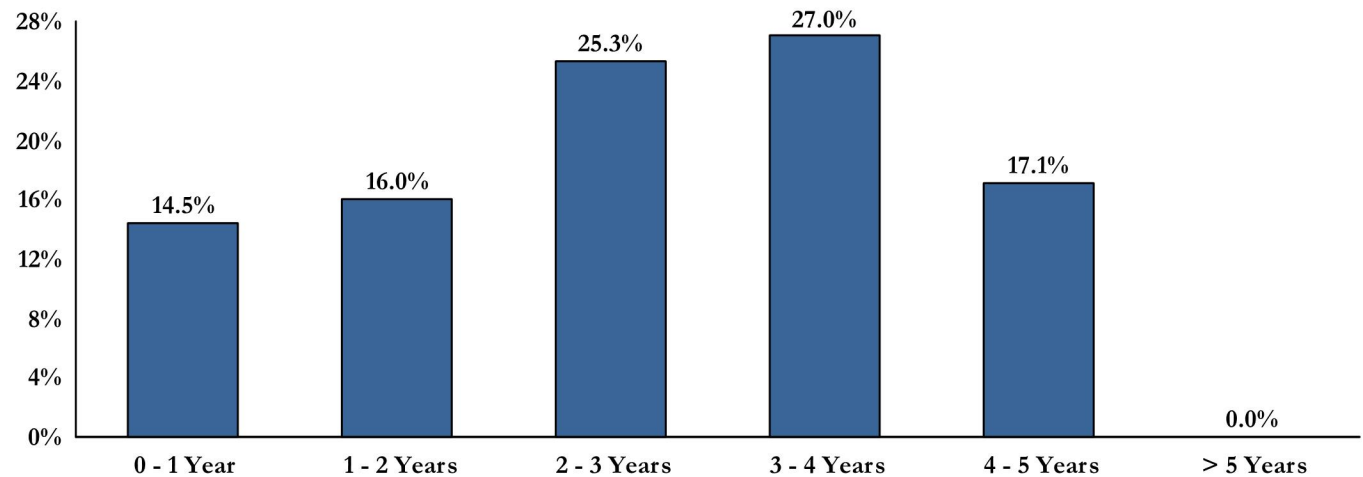
- The Town's 1-5 Year Investment, Short Term and Bond Proceed Portfolios are of high credit quality and invested in U.S. Treasury, Federal Agency/GSE, corporate, commercial paper, municipal securities, and the Florida Education Investment Trust Fund.
- The 1-5 Year Investment Portfolio's quarterly total return performance of -0.97% outperformed the benchmark performance of -1.07% by 0.10%. Over the past year, the Portfolio earned 1.28% versus 1.09% for the benchmark.
- The Short Term and Bond Proceeds Portfolios continue to provide the Town with favorable yield relative to the benchmark. At quarter end, the Short Term portfolio had a Yield to Maturity at Cost of 1.25%, exceeding the Yield to Maturity of its benchmark the S&P GIP Government 30 Day Index of 0.72% by 0.53%.
- The 2013 Bond Fund Portfolio had a Yield to Maturity at Cost of 1.03%, exceeding the Yield to Maturity of its benchmark the S&P GIP Government 30 Day Index of 0.72% by 0.31%¹.
- In October, we invested the 1-5 Year Investment Portfolio's duration short of the benchmark. This had the effect of reducing the price sensitivity of the portfolio to interest rate changes, beneficial in a rising rate environment. In December, following the dramatic leap in interest rates, we extended the duration to be more closely aligned with the benchmark, capturing the higher yields available.
- Although we enter 2017 with a high degree of political uncertainty, our expectations are for a modest uptick in economic growth in the U.S., a trend toward higher inflation, and a continued, but gradual upward trajectory of interest rates.
- As 2017 starts with the highest yields in several years, we plan to initially position the 1-5 Year Investment Portfolio's duration to be aligned with the benchmark.
- We will continue to monitor incoming economic data, Fed policy, and market relationships, adjusting portfolio positioning as needed. This will include monitoring and assessing the policies of the incoming Trump administration for their impact on economic and market conditions.

1. According to the Town's investment policy the short term benchmark is the S&P GIP Government 30 Day Index Gross of Fees. However, due to system limitations the 3 month T-Bill is utilized for comparative purposes for the short term and 2013 Bond Fund on pages 32-56.

Portfolio Statistics

As of December 31, 2016

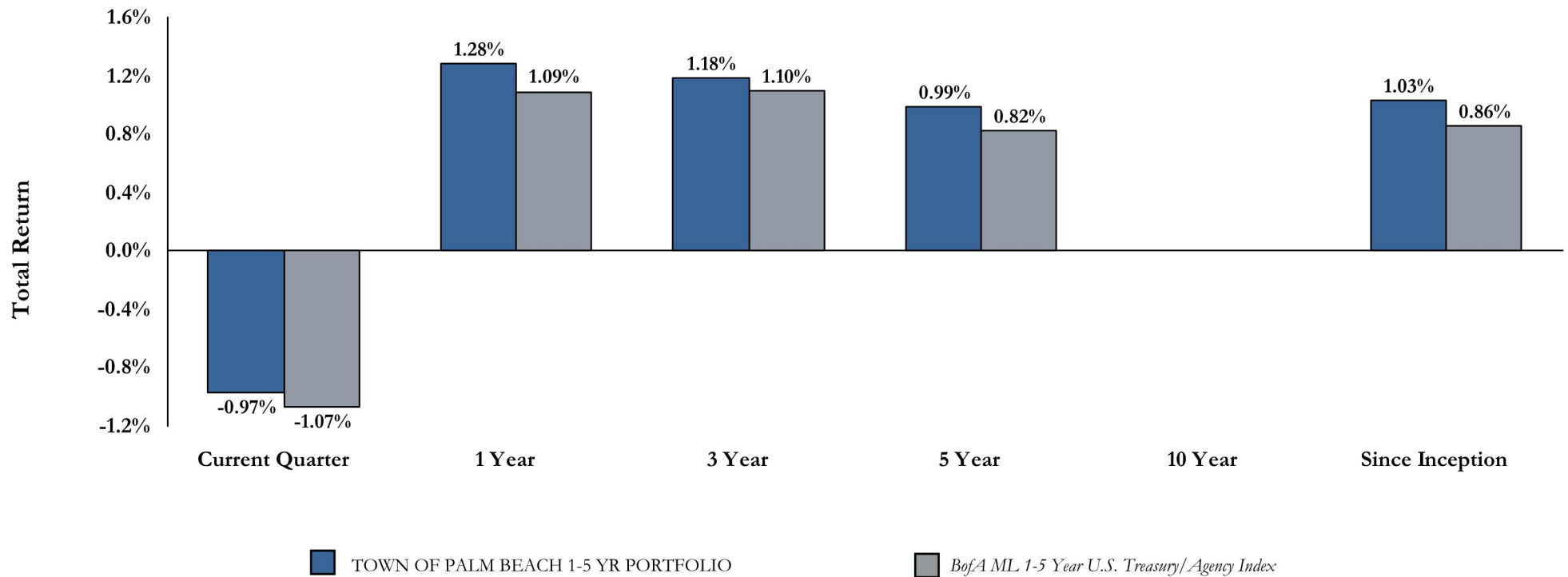
Par Value:	18,349,000
Total Market Value:	18,465,198
Security Market Value:	18,352,716
Accrued Interest:	84,148
Cash:	28,334
PFM	-
Amortized Cost:	18,460,705
Yield at Market:	1.54%
Yield at Cost:	1.37%
Effective Duration:	2.59 Years
Duration to Worst:	2.59 Years
Average Maturity:	2.70 Years
Average Credit: **	AA

Credit Quality (S&P Ratings)**Sector Allocation****Maturity Distribution**

* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Performance (Total Return)

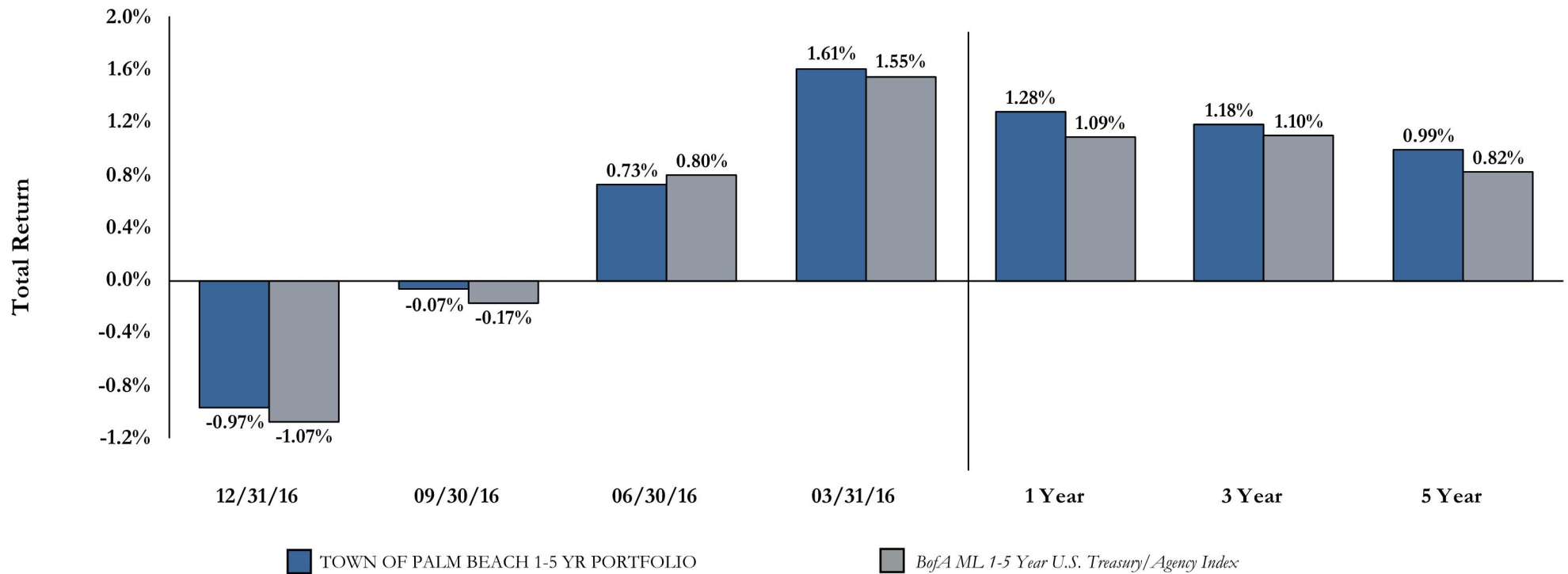
Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			
				3 Year	5 Year	10 Year	Since Inception (09/30/11) **
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.59	-0.97%	1.28%	1.18%	0.99%	-	1.03%
BofA ML 1-5 Year U.S. Treasury/Agency Index	2.62	-1.07%	1.09%	1.10%	0.82%	-	0.86%
Difference		0.10%	0.19%	0.08%	0.17%	-	0.17%



Portfolio performance is gross of fees unless otherwise indicated. **Since Inception performance is not shown for periods less than one year.

Portfolio Performance (Total Return)

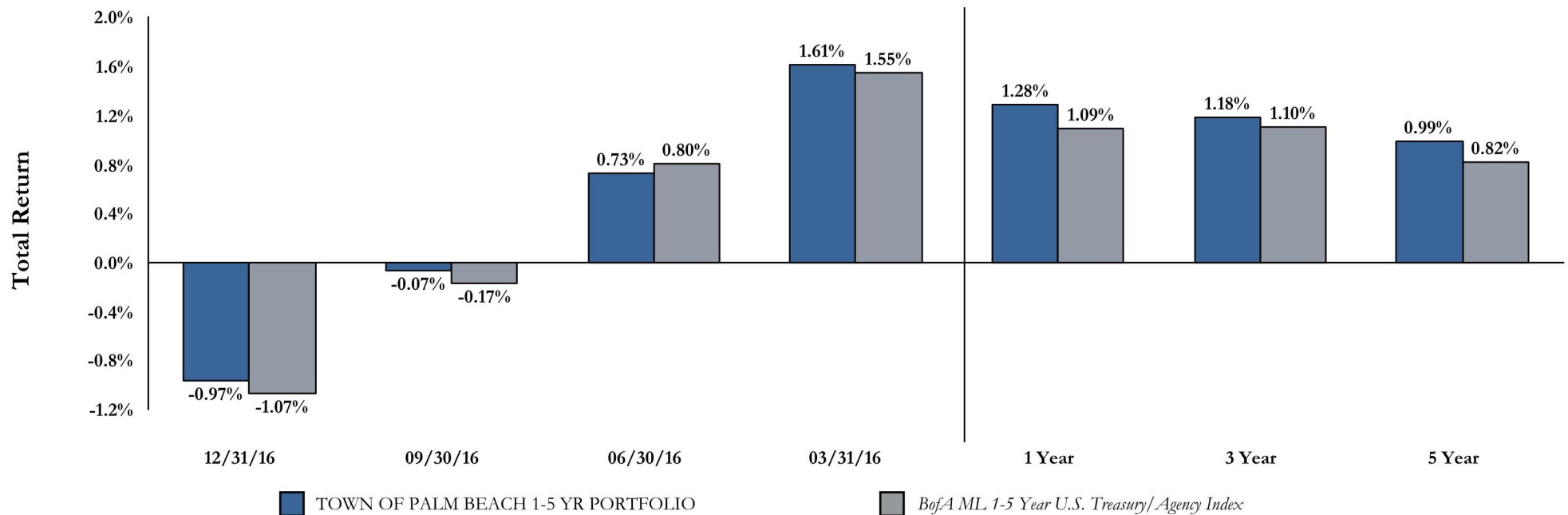
Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		12/31/16	09/30/16	06/30/16	03/31/16		3 Year	5 Year
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.59	-0.97%	-0.07%	0.73%	1.61%	1.28%	1.18%	0.99%
<i>BofA ML 1-5 Year U.S. Treasury/Agency Index</i>	2.62	-1.07%	-0.17%	0.80%	1.55%	1.09%	1.10%	0.82%
Difference		0.10%	0.10%	-0.07%	0.06%	0.19%	0.08%	0.17%



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		12/31/16	09/30/16	06/30/16	03/31/16		3 Year	5 Year
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.59	-0.97%	-0.07%	0.73%	1.61%	1.28%	1.18%	0.99%
<i>Net of Fees **</i>	-	-0.99%	-0.09%	0.71%	1.59%	1.22%	1.12%	0.93%
BofA ML 1-5 Year U.S. Treasury/Agency Index	2.62	-1.07%	-0.17%	0.80%	1.55%	1.09%	1.10%	0.82%
Difference (Gross)		0.10%	0.10%	-0.07%	0.06%	0.19%	0.08%	0.17%
Difference (Net)		0.08%	0.08%	-0.09%	0.04%	0.13%	0.02%	0.11%



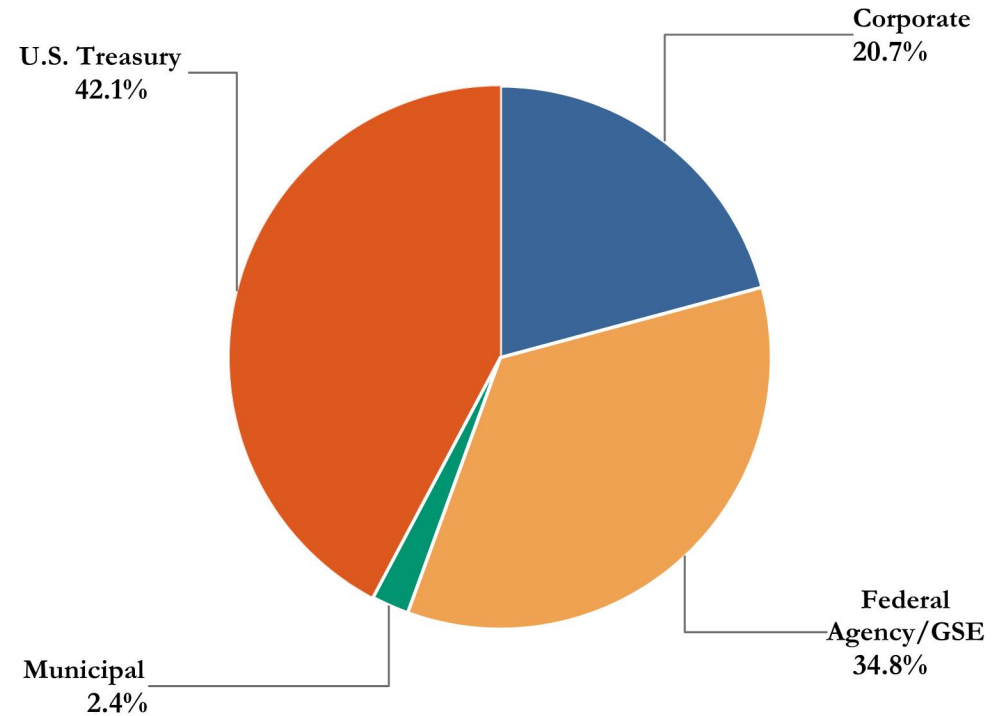
Portfolio performance is gross of fees unless otherwise indicated. ** Fees were calculated based on average assets during the period at the contractual rate.

Portfolio Earnings
Quarter-Ended December 31, 2016

	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
Beginning Value (09/30/2016)	\$18,557,098.60	\$18,430,576.95
Net Purchases/Sales	\$43,689.89	\$43,689.89
Change in Value	(\$248,072.47)	(\$13,562.01)
Ending Value (12/31/2016)	\$18,352,716.02	\$18,460,704.83
Interest Earned	\$67,616.64	\$67,616.64
Portfolio Earnings	(\$180,455.83)	\$54,054.63

Sector Allocation
As of December 31, 2016

Sector	Market Value (\$)	% of Portfolio
U.S. Treasury	7,727,417	42.1%
Federal Agency/GSE	6,389,430	34.8%
Corporate	3,789,574	20.7%
Municipal	446,295	2.4%
Total	18,352,716	100.0%

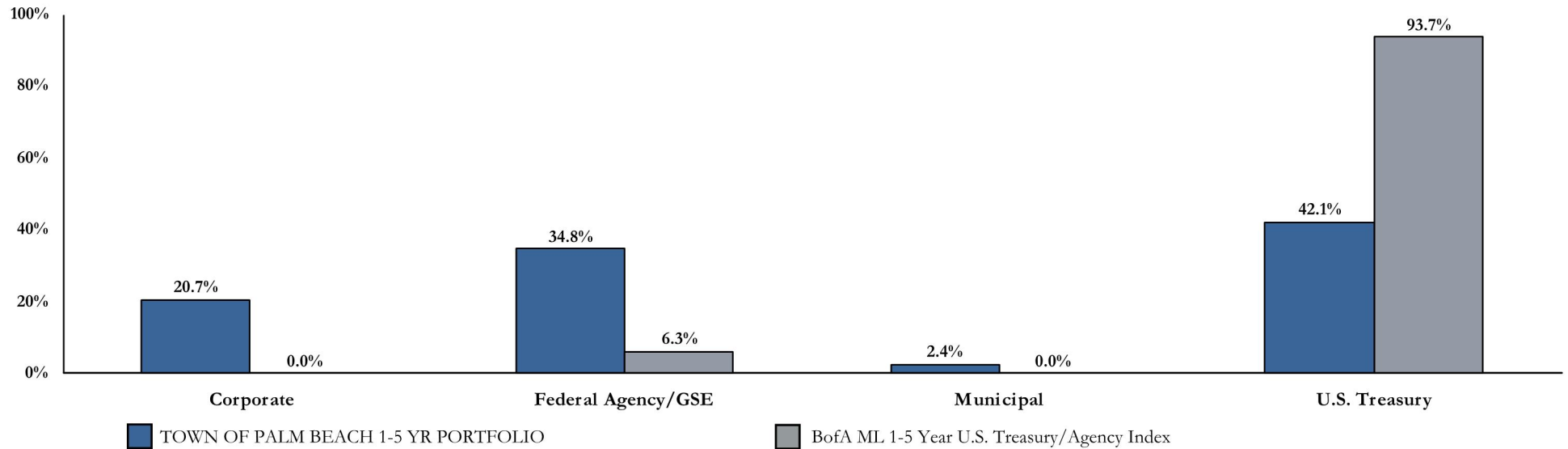


Detail may not add to total due to rounding.

Sector Allocation

As of December 31, 2016

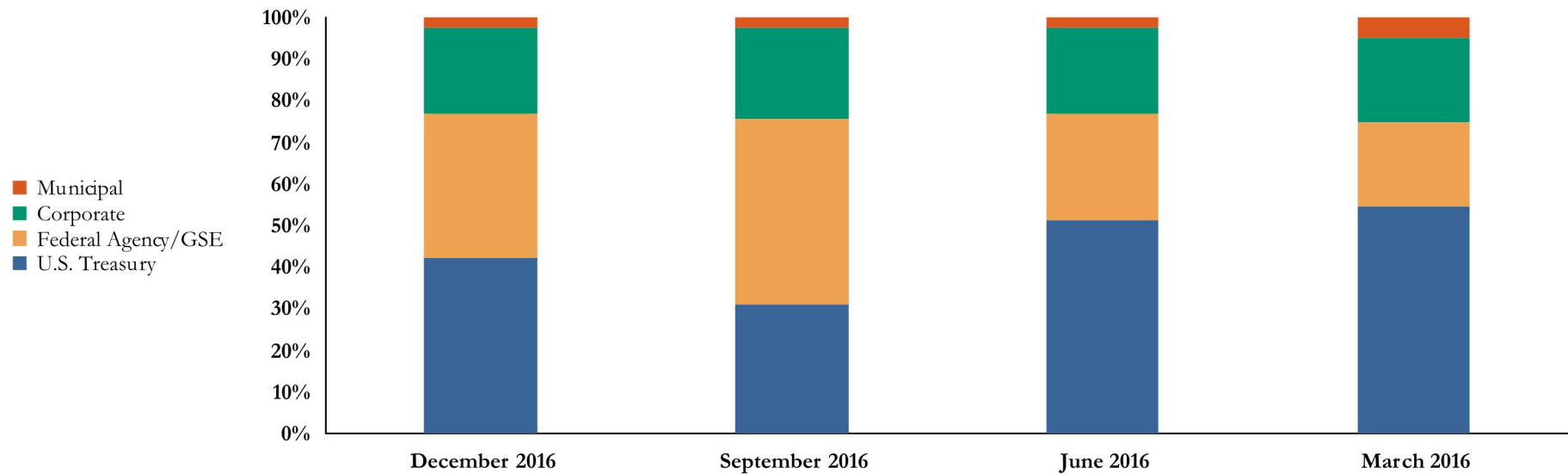
Sector	Market Value (\$)	% of Portfolio	% of Benchmark
U.S. Treasury	7,727,417	42.1%	93.7%
Federal Agency/GSE	6,389,430	34.8%	6.3%
Corporate	3,789,574	20.7%	-
Municipal	446,295	2.4%	-
Total	18,352,716	100.0%	100.0%



Detail may not add to total due to rounding.

Sector Allocation

Sector	December 31, 2016		September 30, 2016		June 30, 2016		March 31, 2016	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	7.7	42.1%	5.8	31.1%	9.5	51.1%	10.0	54.5%
Federal Agency/GSE	6.4	34.8%	8.3	44.6%	4.7	25.6%	3.7	20.2%
Corporate	3.8	20.7%	4.1	21.9%	3.8	20.8%	3.8	20.4%
Municipal	0.4	2.4%	0.5	2.4%	0.5	2.5%	0.9	4.9%
Total	\$18.4	100.0%	\$18.6	100.0%	\$18.5	100.0%	\$18.4	100.0%

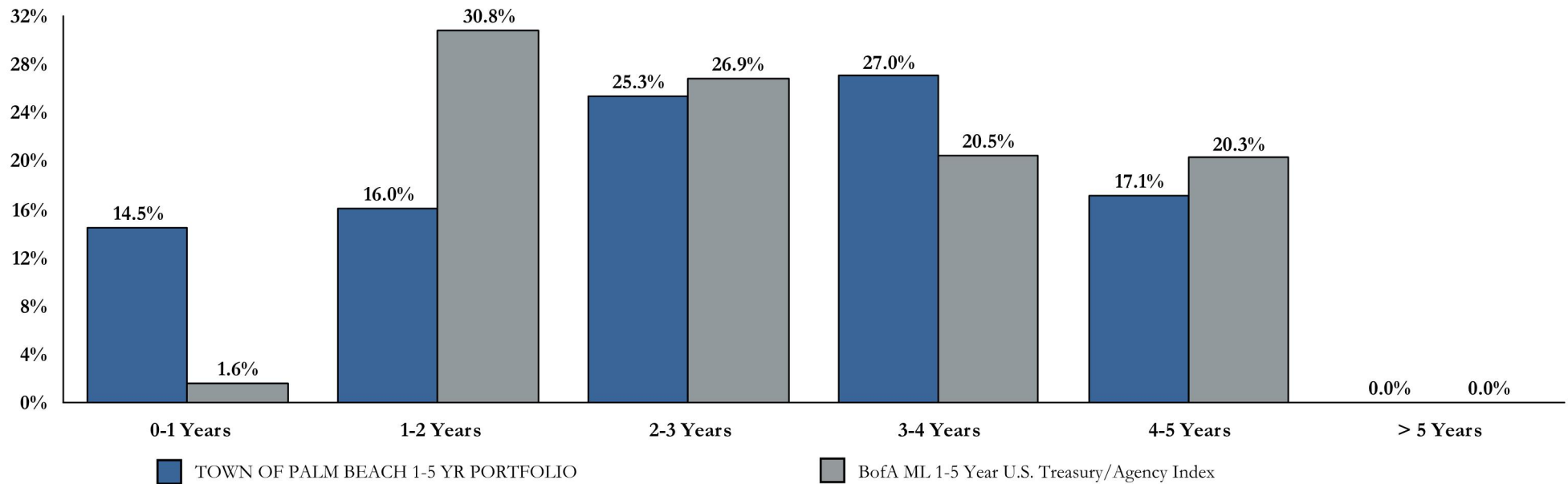


Detail may not add to total due to rounding.

Maturity Distribution

As of December 31, 2016

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	1.54%	2.70 yrs	14.5%	16.0%	25.3%	27.0%	17.1%	0.0%
BofA ML 1-5 Year U.S. Treasury/Agency Index	1.42%	2.80 yrs	1.6%	30.8%	26.9%	20.5%	20.3%	0.0%

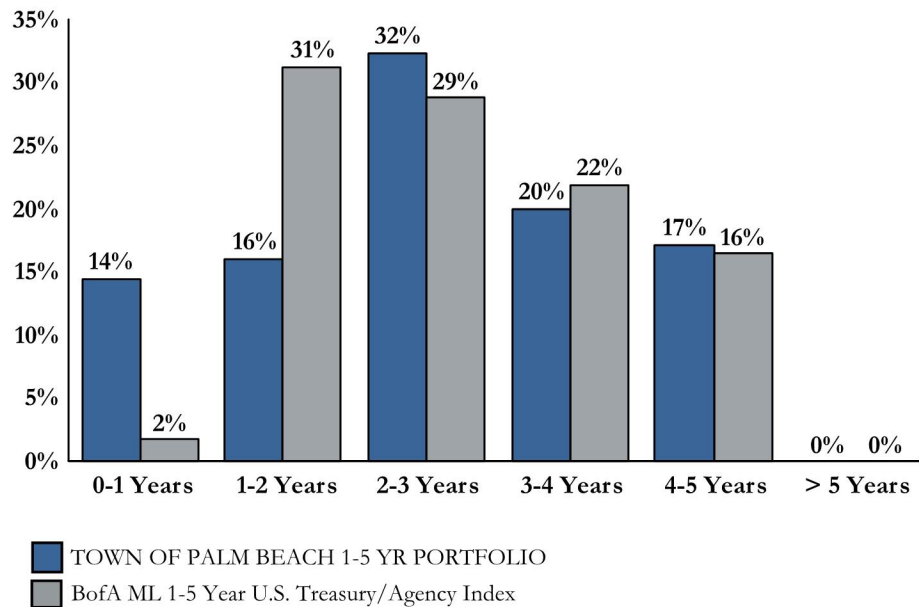


Duration Distribution

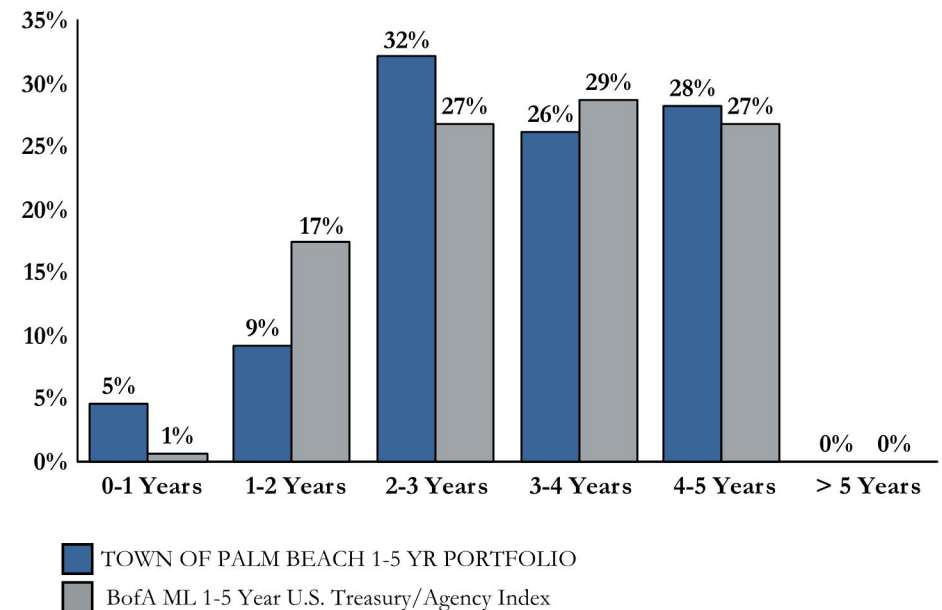
As of December 31, 2016

Portfolio / Benchmark	Effective Duration	0-1 YEARS	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.59	14.45%	16.05%	32.37%	20.01%	17.12%	0.00%
BofA ML 1-5 Year U.S. Treasury/Agency Index	2.62	1.73%	31.18%	28.76%	21.89%	16.44%	0.00%

Distribution by Effective Duration

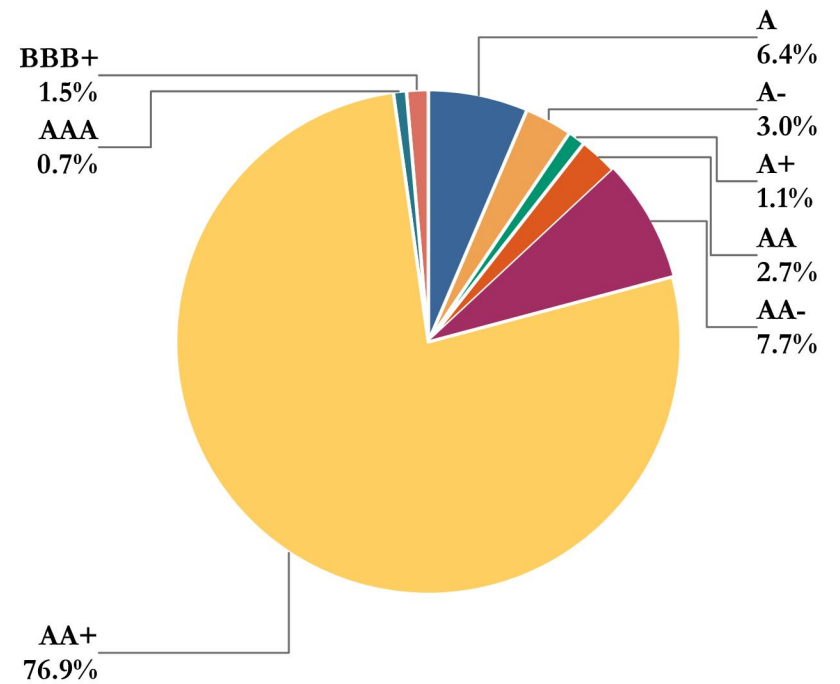


Contribution to Portfolio Duration



Credit Quality
As of December 31, 2016

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$14,116,847	76.9%
AA-	\$1,408,824	7.7%
A	\$1,170,387	6.4%
A-	\$546,196	3.0%
AA	\$495,688	2.7%
BBB+	\$278,888	1.5%
A+	\$207,635	1.1%
AAA	\$128,252	0.7%
Totals	\$18,352,716	100.0%



Detail may not add to total due to rounding.

Issuer Distribution

As of December 31, 2016

Issuer	Market Value (\$)	% of Portfolio	Top 5 = 79.6%	Top 10 = 91.6%
UNITED STATES TREASURY	7,727,417	42.1%		
FANNIE MAE	2,896,287	15.8%		
FEDERAL HOME LOAN BANKS	2,718,635	14.8%		
FREDDIE MAC	774,508	4.2%		
GENERAL ELECTRIC CO	493,063	2.7%		
BANK OF NEW YORK CO INC	453,708	2.5%		
TOYOTA MOTOR CORP	451,953	2.5%		
WELLS FARGO & COMPANY	447,874	2.4%		
CITY OF NEW YORK CITY, NY	446,295	2.4%		
CISCO SYSTEMS INC	404,035	2.2%		
JP MORGAN CHASE & CO	349,176	1.9%		
GOLDMAN SACHS GROUP INC	278,888	1.5%		
BOEING COMPANY	219,809	1.2%		
AMERICAN HONDA FINANCE	207,635	1.1%		
MICROSOFT CORP	128,252	0.7%		
AMERICAN EXPRESS CO	108,689	0.6%		
BB&T CORPORATION	88,330	0.5%		
NEW YORK UNIVERSITY	59,773	0.3%		

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
BERKSHIRE HATHAWAY INC	49,393	0.3%
STATE STREET CORPORATION	48,996	0.3%
Grand Total:	18,352,716	100.0%

Sector/Issuer Distribution

As of December 31, 2016

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Corporate			
AMERICAN EXPRESS CO	108,689	2.9%	0.6%
AMERICAN HONDA FINANCE	207,635	5.5%	1.1%
BANK OF NEW YORK CO INC	453,708	12.0%	2.5%
BB&T CORPORTATION	88,330	2.3%	0.5%
BERKSHIRE HATHAWAY INC	49,393	1.3%	0.3%
BOEING COMPANY	219,809	5.8%	1.2%
CISCO SYSTEMS INC	404,035	10.7%	2.2%
GENERAL ELECTRIC CO	493,063	13.0%	2.7%
GOLDMAN SACHS GROUP INC	278,888	7.4%	1.5%
JP MORGAN CHASE & CO	349,176	9.2%	1.9%
MICROSOFT CORP	128,252	3.4%	0.7%
NEW YORK UNIVERSITY	59,773	1.6%	0.3%
STATE STREET CORPORATION	48,996	1.3%	0.3%
TOYOTA MOTOR CORP	451,953	11.9%	2.5%
WELLS FARGO & COMPANY	447,874	11.8%	2.4%
Sector Total	3,789,574	100.0%	20.6%
Federal Agency/GSE			
FANNIE MAE	2,896,287	45.3%	15.8%
FEDERAL HOME LOAN BANKS	2,718,635	42.5%	14.8%

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Composition

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
FREDDIE MAC	774,508	12.1%	4.2%
Sector Total	6,389,430	100.0%	34.8%
Municipal			
CITY OF NEW YORK CITY, NY	446,295	100.0%	2.4%
Sector Total	446,295	100.0%	2.4%
U.S. Treasury			
UNITED STATES TREASURY	7,727,417	100.0%	42.1%
Sector Total	7,727,417	100.0%	42.1%
Portfolio Total	18,352,716	100.0%	100.0%

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/3/16	10/5/16	415,000	912828C57	US TREASURY NOTES	2.25%	3/31/21	434,743.49	1.17%	
11/10/16	11/14/16	390,000	912828WL0	US TREASURY NOTES	1.50%	5/31/19	396,934.89	1.06%	
11/22/16	11/23/16	490,000	912828WY2	US TREASURY N/B	2.25%	7/31/21	503,857.81	1.78%	
12/1/16	12/5/16	725,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	730,771.08	1.94%	
Total BUY		2,020,000					2,066,307.27		
INTEREST									
10/1/16	10/1/16	265,000	64966LZC8	NYC, NY TXBL GO BONDS	1.65%	10/1/18	2,186.25		
10/1/16	10/1/16	625,000	3130A9AE1	FHLB GLOBAL NOTE	0.87%	10/1/18	531.68		
10/3/16	10/3/16	0	MONEY0002	MONEY MARKET FUND			2.76		
10/11/16	10/11/16	215,000	24422ESD2	JOHN DEERE CAPITAL CORP	1.05%	10/11/16	1,128.75		
10/25/16	10/25/16	240,000	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	2,400.00		
10/25/16	10/25/16	40,000	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	400.00		
10/26/16	10/26/16	500,000	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	2,187.50		
10/31/16	10/31/16	260,000	912828TW0	US TREASURY NOTES	0.75%	10/31/17	975.00		
10/31/16	10/31/16	220,000	097023BF1	BOEING COMPANY (FLOATING) NOTE	1.01%	10/30/17	498.14		
10/31/16	10/31/16	165,000	912828UZ1	US TREASURY NOTES	0.62%	4/30/18	515.63		
11/1/16	11/1/16	0	MONEY0002	MONEY MARKET FUND			23.14		
11/5/16	11/5/16	110,000	0258M0EB1	AMERICAN EXPRESS CREDIT CORP NOTES	2.25%	5/5/21	1,237.50		
11/6/16	11/6/16	475,000	3135G0K69	FNMA BENCHMARK NOTE	1.25%	5/6/21	2,803.82		
11/10/16	11/10/16	90,000	05531FAV5	BRANCH BANKING & TRUST CORP NOTE	2.05%	5/10/21	922.50		
11/19/16	11/19/16	50,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	487.50		
11/21/16	11/21/16	485,000	3135G0WJ8	FANNIE MAE GLOBAL NOTES	0.87%	5/21/18	2,121.88		
11/30/16	11/30/16	240,000	912828UB4	US TREASURY NOTES	1.00%	11/30/19	1,200.00		

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/30/16	11/30/16	370,000	912828A42	US TREASURY NOTE	2.00%	11/30/20	3,700.00		
11/30/16	11/30/16	390,000	912828WL0	US TREASURY NOTES	1.50%	5/31/19	2,925.00		
11/30/16	11/30/16	465,000	912828UA6	US TREASURY NOTES	0.62%	11/30/17	1,453.13		
11/30/16	11/30/16	270,000	912828A42	US TREASURY NOTE	2.00%	11/30/20	2,700.00		
12/1/16	12/1/16	0	MONEY0002	MONEY MARKET FUND			33.77		
12/1/16	12/1/16	180,000	64966LN49	NYC, NY TXBL GO BONDS	1.80%	6/1/19	1,620.00		
12/15/16	12/15/16	400,000	17275RAX0	CISCO SYSTEMS INC CORP NOTES	2.45%	6/15/20	4,900.00		
12/21/16	12/21/16	470,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	2,643.75		
12/31/16	12/31/16	800,000	912828UE8	US TREASURY NOTES	0.75%	12/31/17	3,000.00		
Total INTEREST		7,325,000					42,597.70		
MATURITY									
10/11/16	10/11/16	215,000	24422ESD2	JOHN DEERE CAPITAL CORP	1.05%	10/11/16	215,000.00		0.00
Total MATURITY		215,000					215,000.00		0.00
SELL									
10/3/16	10/5/16	340,000	3137EADH9	FREDDIE MAC GLOBAL NOTES	1.00%	6/29/17	341,834.87	0.63%	825.64
10/3/16	10/5/16	90,000	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	90,422.20	0.65%	137.22
11/10/16	11/14/16	390,000	3137EADG1	FREDDIE MAC NOTES	1.75%	5/30/19	399,746.97	1.07%	4,076.28
11/22/16	11/23/16	100,000	3130A8QS5	FHLB GLOBAL NOTE	1.12%	7/14/21	97,406.12	1.80%	(2,704.95)
11/22/16	11/23/16	420,000	3130A8QS5	FHLB GLOBAL NOTE	1.12%	7/14/21	409,105.72	1.80%	(10,218.28)
12/1/16	12/5/16	465,000	3135G0MZ3	FANNIE MAE GLOBAL NOTES	0.87%	8/28/17	466,389.25	0.79%	108.95
Total SELL		1,805,000					1,804,905.13		-7,775.14

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	10/1/16	10/1/16	265,000.00	64966LZC8	NYC, NY TXBL GO BONDS	1.65%	10/1/18	2,186.25		
INTEREST	10/1/16	10/1/16	625,000.00	3130A9AE1	FHLB GLOBAL NOTE	0.87%	10/1/18	531.68		
INTEREST	10/3/16	10/3/16	0.00	MONEY0002	MONEY MARKET FUND			2.76		
BUY	10/3/16	10/5/16	415,000.00	912828C57	US TREASURY NOTES	2.25%	3/31/21	(434,743.49)	1.17%	
SELL	10/3/16	10/5/16	340,000.00	3137EADH9	FREDDIE MAC GLOBAL NOTES	1.00%	6/29/17	341,834.87	0.63%	825.64
SELL	10/3/16	10/5/16	90,000.00	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	90,422.20	0.65%	137.22
INTEREST	10/11/16	10/11/16	215,000.00	24422ESD2	JOHN DEERE CAPITAL CORP	1.05%	10/11/16	1,128.75		
MATURITY	10/11/16	10/11/16	215,000.00	24422ESD2	JOHN DEERE CAPITAL CORP	1.05%	10/11/16	215,000.00		0.00
INTEREST	10/25/16	10/25/16	240,000.00	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	2,400.00		
INTEREST	10/25/16	10/25/16	40,000.00	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	400.00		
INTEREST	10/26/16	10/26/16	500,000.00	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	2,187.50		
INTEREST	10/31/16	10/31/16	260,000.00	912828TW0	US TREASURY NOTES	0.75%	10/31/17	975.00		
INTEREST	10/31/16	10/31/16	220,000.00	097023BF1	BOEING COMPANY (FLOATING) NOTE	1.01%	10/30/17	498.14		
INTEREST	10/31/16	10/31/16	165,000.00	912828UZ1	US TREASURY NOTES	0.62%	4/30/18	515.63		
INTEREST	11/1/16	11/1/16	0.00	MONEY0002	MONEY MARKET FUND			23.14		
INTEREST	11/5/16	11/5/16	110,000.00	0258M0EB1	AMERICAN EXPRESS CREDIT CORP NOTES	2.25%	5/5/21	1,237.50		
INTEREST	11/6/16	11/6/16	475,000.00	3135G0K69	FNMA BENCHMARK NOTE	1.25%	5/6/21	2,803.82		
INTEREST	11/10/16	11/10/16	90,000.00	05531FAV5	BRANCH BANKING & TRUST CORP NOTE	2.05%	5/10/21	922.50		
BUY	11/10/16	11/14/16	390,000.00	912828WL0	US TREASURY NOTES	1.50%	5/31/19	(396,934.89)	1.06%	
SELL	11/10/16	11/14/16	390,000.00	3137EADG1	FREDDIE MAC NOTES	1.75%	5/30/19	399,746.97	1.07%	4,076.28

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	11/19/16	11/19/16	50,000.00	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	487.50		
INTEREST	11/21/16	11/21/16	485,000.00	3135G0WJ8	FANNIE MAE GLOBAL NOTES	0.87%	5/21/18	2,121.88		
BUY	11/22/16	11/23/16	490,000.00	912828WY2	US TREASURY N/B	2.25%	7/31/21	(503,857.81)	1.78%	
SELL	11/22/16	11/23/16	100,000.00	3130A8QS5	FHLB GLOBAL NOTE	1.12%	7/14/21	97,406.12	1.80%	(2,704.95)
SELL	11/22/16	11/23/16	420,000.00	3130A8QS5	FHLB GLOBAL NOTE	1.12%	7/14/21	409,105.72	1.80%	(10,218.28)
INTEREST	11/30/16	11/30/16	240,000.00	912828UB4	US TREASURY NOTES	1.00%	11/30/19	1,200.00		
INTEREST	11/30/16	11/30/16	370,000.00	912828A42	US TREASURY NOTE	2.00%	11/30/20	3,700.00		
INTEREST	11/30/16	11/30/16	390,000.00	912828WL0	US TREASURY NOTES	1.50%	5/31/19	2,925.00		
INTEREST	11/30/16	11/30/16	465,000.00	912828UA6	US TREASURY NOTES	0.62%	11/30/17	1,453.13		
INTEREST	11/30/16	11/30/16	270,000.00	912828A42	US TREASURY NOTE	2.00%	11/30/20	2,700.00		
INTEREST	12/1/16	12/1/16	0.00	MONEY0002	MONEY MARKET FUND			33.77		
INTEREST	12/1/16	12/1/16	180,000.00	64966LN49	NYC, NY TXBL GO BONDS	1.80%	6/1/19	1,620.00		
BUY	12/1/16	12/5/16	725,000.00	912828D72	US TREASURY NOTES	2.00%	8/31/21	(730,771.08)	1.94%	
SELL	12/1/16	12/5/16	465,000.00	3135G0MZ3	FANNIE MAE GLOBAL NOTES	0.87%	8/28/17	466,389.25	0.79%	108.95
INTEREST	12/15/16	12/15/16	400,000.00	17275RAX0	CISCO SYSTEMS INC CORP NOTES	2.45%	6/15/20	4,900.00		
INTEREST	12/21/16	12/21/16	470,000.00	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	2,643.75		
INTEREST	12/31/16	12/31/16	800,000.00	912828UE8	US TREASURY NOTES	0.75%	12/31/17	3,000.00		
TOTALS								(3,804.44)		(7,775.14)

Short Term and Bond Proceed Portfolios Statistics

<u>Account Name</u>	<u>Amortized Cost^{1,2,3} December 31, 2016</u>	<u>Amortized Cost^{1,2,3} September 30, 2016</u>	<u>Market Value^{1,2,3} December 31, 2016</u>	<u>Market Value^{1,2,3} September 30, 2016</u>	<u>Duration (Years)⁴ December 31, 2016</u>
Short Term Portfolio - 4245	\$5,475,212.44	\$8,457,237.72	\$5,476,328.00	\$8,460,174.00	0.36
2013 Bond Fund - 4265	20,777,560.00	23,260,134.00	20,790,441.00	23,289,755.00	0.37
LGIP - FEITF Excess Funds - 174 ⁸	15,588,678.54	3,533,529.44	15,588,678.54	3,533,529.44	44 Days
LGIP - FEITF 2013 Bond Fund - 357 ⁸	1,565,434.53	1,674,193.00	1,565,434.53	1,674,193.00	44 Days
Money Market Account -Bank United 1280 -Short Term	8,038,999.00	1,175,460.56	8,038,999.00	1,175,460.56	0.001
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - Short Term	10,320.00	\$110,119.53	10,320.00	\$110,119.53	0.001
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - 2013 Bond Fund	454,833.00	111,590.40	454,833.00	111,590.40	0.001
Total	\$51,911,037.51	\$38,322,264.65	\$51,925,034.07	\$38,354,821.93	

<u>Account Name</u>	<u>Yield to Maturity at Cost^{5,6} December 31, 2016</u>	<u>Yield to Maturity at Cost^{5,6} September 30, 2016</u>	<u>Yield to Maturity at Market^{7,8} December 31, 2016</u>	<u>Yield to Maturity at Market^{7,8} September 30, 2016</u>	<u>Duration (Years)⁴ September 30, 2016</u>
Short Term Portfolio - 4245	1.25%	1.05%	1.18%	0.89%	0.40
2013 Bond Fund - 4265	1.03%	0.98%	0.83%	0.76%	0.56
LGIP - FEITF Excess Funds - 174 ^{6,8}	0.73%	0.71%	0.73%	0.71%	47 Days
LGIP - FEITF 2013 Bond Fund - 357 ^{6,8}	0.73%	0.71%	0.73%	0.71%	47 Days
Money Market Account -Bank United 1280 -Short Term	0.55%	0.55%	0.55%	0.55%	0.001
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - Short Term	0.30%	0.29%	0.30%	0.29%	0.001
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - 2013 Bond Fund	0.30%	0.29%	0.30%	0.29%	0.001
Weighted Average Yield	0.87%	0.94%	0.79%	0.77%	

BenchmarksS&P GIP Government 30 Day Index⁷

<u>December 31, 2016</u>	<u>September 30, 2016</u>
0.72%	0.62%

Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
2. In order to comply with GASB accrual accounting reporting requirements; forward settling trades are included in the monthly balances.
3. Includes any money market fund/cash balances held in custodian account.
4. Money Market Fund duration is based on weighted average duration in days.
5. Past performance is not indicative of future results.

6. Seven day yield as of quarter end. The yields shown above represent past performance. Past performance is no guarantee of future results and yields may vary. The current fund performance may be higher or lower than that cited. The current seven-day yield does not include realized gains and losses on the sale of securities. The yields shown above may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the Funds. Fund yields would be lower if there were no such waivers.

7. Monthly yields, source Bloomberg.

8. PFM Prime Funds were moved into FEITF during the second quarter of 2016. All March 31, 2016 numbers reflect PFM PRIME balances and statistics.

TOWN OF PALM BEACH SHORT TERM PORTFOLIO

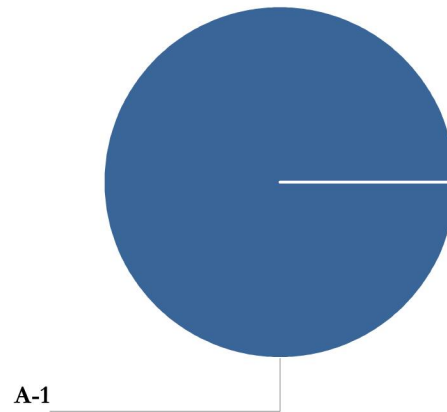
Portfolio Snapshot

Portfolio Statistics

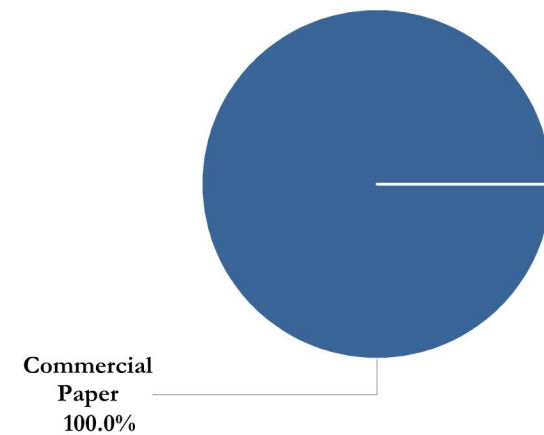
As of December 31, 2016

Par Value:	5,500,000
Total Market Value:	5,486,648
Security Market Value:	5,476,328
Accrued Interest:	0
Cash:	10,320
PFM	-
Amortized Cost:	5,475,212
Yield at Market:	1.18%
Yield at Cost:	1.25%
Effective Duration:	0.36 Years
Duration to Worst:	0.36 Years
Average Maturity:	0.36 Years
Average Credit: **	A
Benchmark Eff. Yield:	0.72%

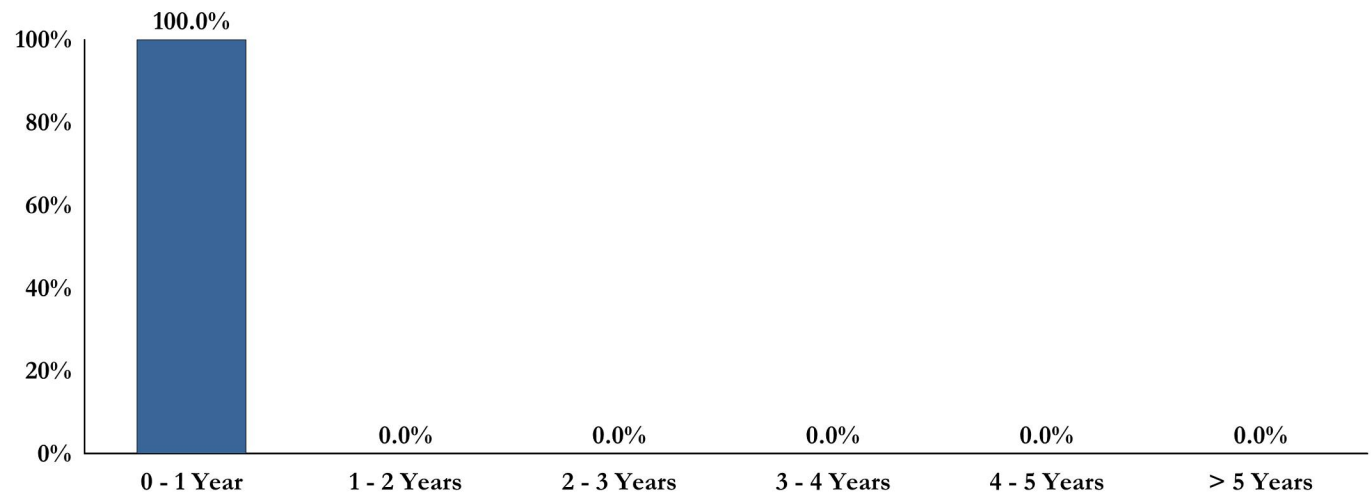
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



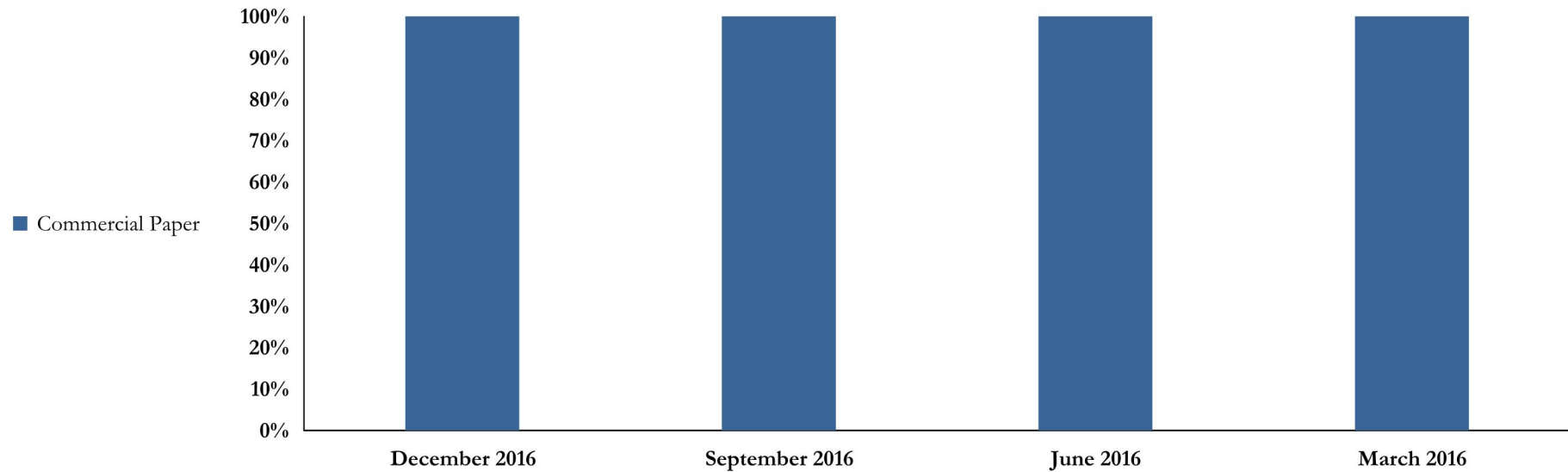
* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Earnings*Quarter-Ended December 31, 2016*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2016)	\$8,460,174.00	\$8,457,237.72
Net Purchases/Sales	(\$3,000,000.00)	(\$3,000,000.00)
Change in Value	\$16,154.00	\$17,974.72
Ending Value (12/31/2016)	\$5,476,328.00	\$5,475,212.44
Interest Earned	\$200.27	\$200.27
Portfolio Earnings	\$16,354.27	\$18,174.99

Sector Allocation

Sector	December 31, 2016		September 30, 2016		June 30, 2016		March 31, 2016	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Commercial Paper	5.5	100.0%	8.5	100.0%	14.0	100.0%	14.0	100.0%
Total	\$5.5	100.0%	\$8.5	100.0%	\$14.0	100.0%	\$14.0	100.0%



Issuer Distribution*As of December 31, 2016*

Issuer	Market Value (\$)	% of Portfolio
BANK OF MONTREAL	5,476,328	100.0%
Grand Total:	5,476,328	100.0%

Sector/Issuer Distribution*As of December 31, 2016*

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Commercial Paper			
BANK OF MONTREAL	5,476,328	100.0%	100.0%
Sector Total	5,476,328	100.0%	100.0%
Portfolio Total	5,476,328	100.0%	100.0%

TOWN OF PALM BEACH SHORT TERM PORTFOLIO

Portfolio Activity

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
10/3/16	10/3/16	0	MONEY0002	MONEY MARKET FUND			13.20		
11/1/16	11/1/16	0	MONEY0002	MONEY MARKET FUND			185.75		
12/1/16	12/1/16	0	MONEY0002	MONEY MARKET FUND			1.32		
Total INTEREST		0					200.27		
MATURITY									
10/11/16	10/11/16	3,000,000	09659BKB5	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	10/11/16	3,000,000.00		0.00
Total MATURITY		3,000,000					3,000,000.00		0.00

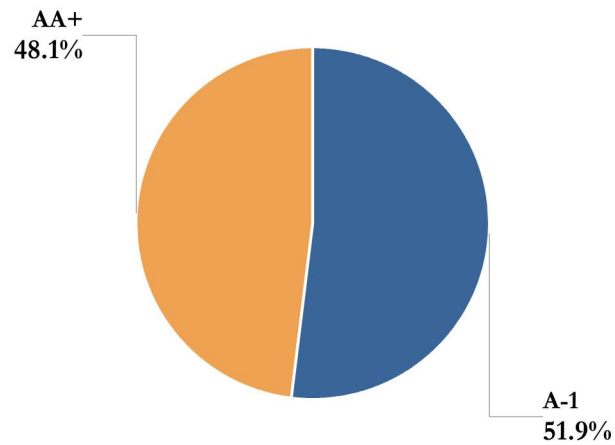
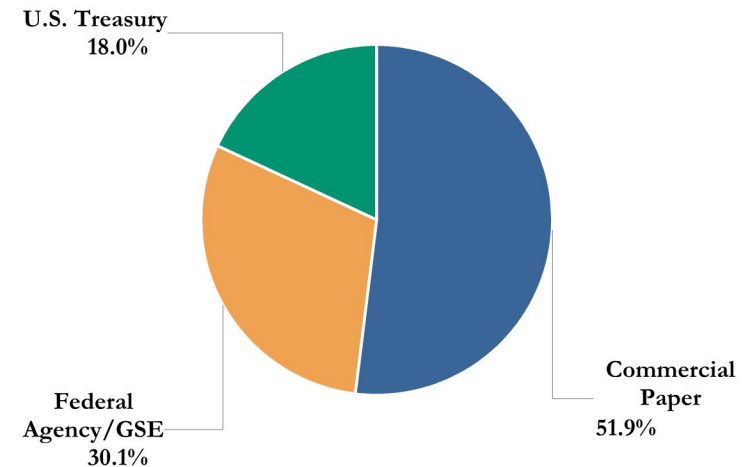
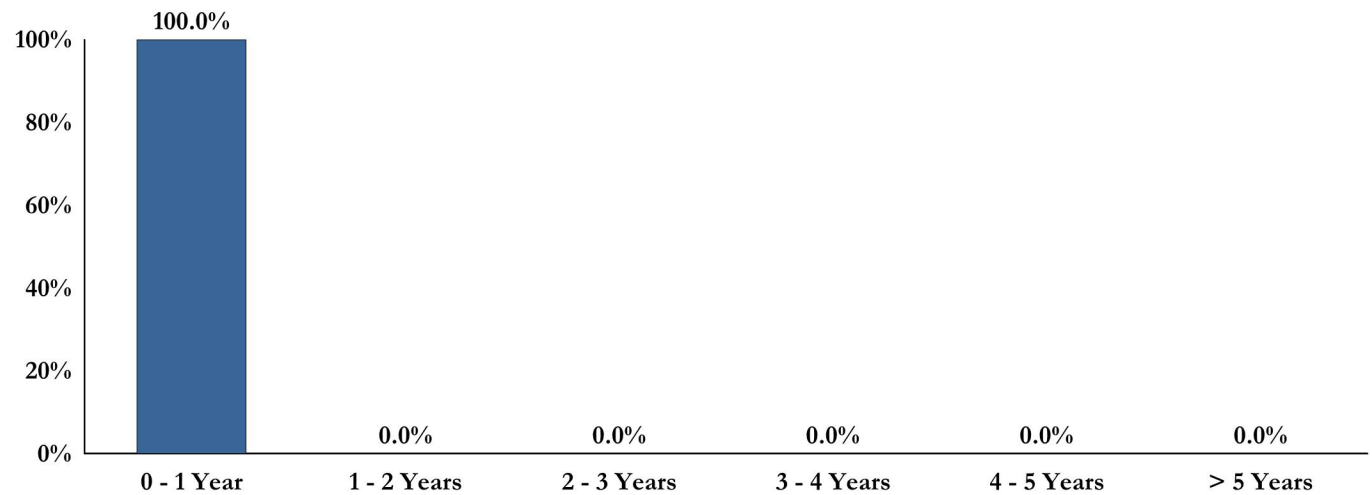
Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	10/3/16	10/3/16	0.00	MONEY0002	MONEY MARKET FUND			13.20		
MATURITY	10/11/16	10/11/16	3,000,000.00	09659BKB5	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	10/11/16	3,000,000.00		0.00
INTEREST	11/1/16	11/1/16	0.00	MONEY0002	MONEY MARKET FUND			185.75		
INTEREST	12/1/16	12/1/16	0.00	MONEY0002	MONEY MARKET FUND			1.32		
TOTALS								3,000,200.27		0.00

Portfolio Statistics

As of December 31, 2016

Par Value:	20,800,000
Total Market Value:	21,245,274
Security Market Value:	20,773,098
Accrued Interest:	17,343
Cash:	454,833
PFM	-
Amortized Cost:	20,760,217
Yield at Market:	0.83%
Yield at Cost:	1.03%
Effective Duration:	0.37 Years
Duration to Worst:	0.37 Years
Average Maturity:	0.37 Years
Average Credit: **	A
Benchmark Eff. Yield:	0.43%

Credit Quality (S&P Ratings)**Sector Allocation****Maturity Distribution**

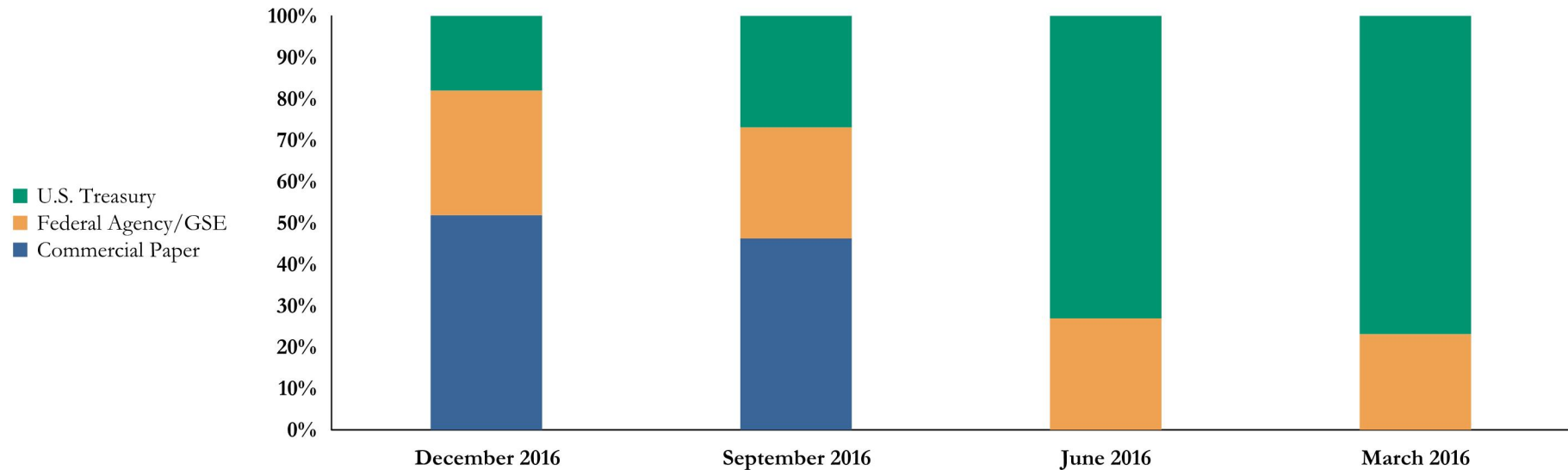
* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Earnings
Quarter-Ended December 31, 2016

	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
Beginning Value (09/30/2016)	\$23,254,138.15	\$23,224,517.49
Net Purchases/Sales	(\$2,500,000.00)	(\$2,500,000.00)
Change in Value	\$18,959.40	\$35,699.51
Ending Value (12/31/2016)	\$20,773,097.55	\$20,760,217.00
Interest Earned	\$19,322.45	\$19,322.45
Portfolio Earnings	\$38,281.85	\$55,021.96

Sector Allocation

Sector	December 31, 2016		September 30, 2016		June 30, 2016		March 31, 2016	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Commercial Paper	10.8	51.9%	10.7	46.2%	0.0	0.0%	0.0	0.0%
Federal Agency/GSE	6.3	30.1%	6.3	26.9%	6.3	26.9%	6.3	23.2%
U.S. Treasury	3.7	18.0%	6.2	26.9%	17.0	73.1%	20.8	76.8%
Total	\$20.8	100.0%	\$23.3	100.0%	\$23.3	100.0%	\$27.0	100.0%



Detail may not add to total due to rounding.

Issuer Distribution*As of December 31, 2016*

Issuer	Market Value (\$)	% of Portfolio
FANNIE MAE	6,251,809	30.1%
MITSUBISHI UFI FINANCIAL GROUP INC	5,995,686	28.9%
JP MORGAN CHASE & CO	4,779,413	23.0%
UNITED STATES TREASURY	3,746,190	18.0%
Grand Total:	20,773,098	100.0%

Sector/Issuer Distribution*As of December 31, 2016*

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Commercial Paper			
JP MORGAN CHASE & CO	4,779,413	44.4%	23.0%
MITSUBISHI UFI FINANCIAL GROUP INC	5,995,686	55.6%	28.9%
Sector Total	10,775,099	100.0%	51.9%
Federal Agency/GSE			
FANNIE MAE	6,251,809	100.0%	30.1%
Sector Total	6,251,809	100.0%	30.1%
U.S. Treasury			
UNITED STATES TREASURY	3,746,190	100.0%	18.0%
Sector Total	3,746,190	100.0%	18.0%
Portfolio Total	20,773,098	100.0%	100.0%

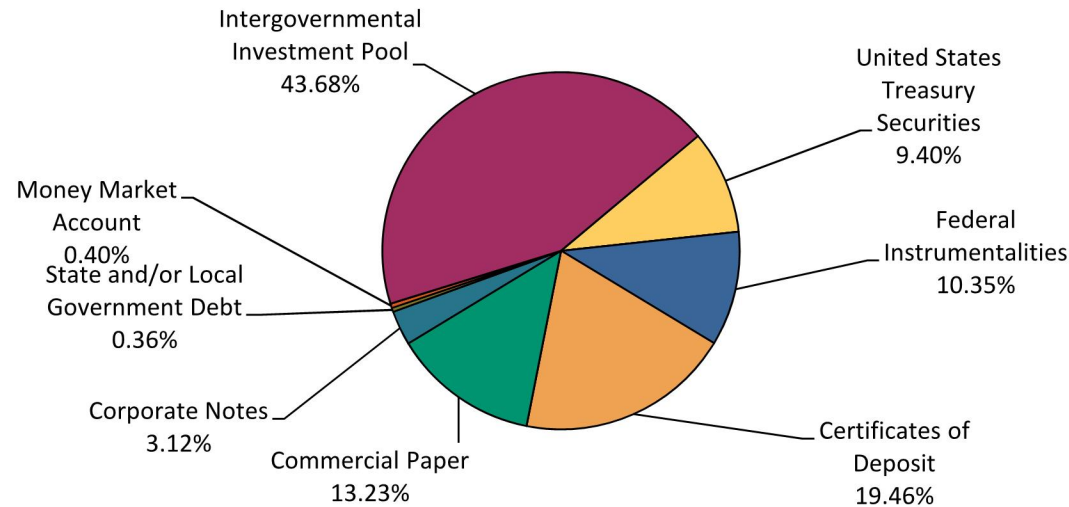
Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
10/3/16	10/3/16	0	MONEY0002	MONEY MARKET FUND			13.38		
10/20/16	10/20/16	3,750,000	3135G0ZB2	FNMA NOTES	0.75%	4/20/17	14,062.50		
10/26/16	10/26/16	2,500,000	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	10,937.50		
10/31/16	10/31/16	2,500,000	912828RM4	US TREASURY NOTES	1.00%	10/31/16	12,500.00		
11/1/16	11/1/16	0	MONEY0002	MONEY MARKET FUND			25.13		
12/1/16	12/1/16	0	MONEY0002	MONEY MARKET FUND			58.40		
Total INTEREST		8,750,000					37,596.91		
MATURITY									
10/31/16	10/31/16	2,500,000	912828RM4	US TREASURY NOTES	1.00%	10/31/16	2,500,000.00		0.00
Total MATURITY		2,500,000					2,500,000.00		0.00

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	10/3/16	10/3/16	0.00	MONEY0002	MONEY MARKET FUND			13.38		
INTEREST	10/20/16	10/20/16	3,750,000.00	3135G0ZB2	FNMA NOTES	0.75%	4/20/17	14,062.50		
INTEREST	10/26/16	10/26/16	2,500,000.00	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	10,937.50		
INTEREST	10/31/16	10/31/16	2,500,000.00	912828RM4	US TREASURY NOTES	1.00%	10/31/16	12,500.00		
MATURITY	10/31/16	10/31/16	2,500,000.00	912828RM4	US TREASURY NOTES	1.00%	10/31/16	2,500,000.00		0.00
INTEREST	11/1/16	11/1/16	0.00	MONEY0002	MONEY MARKET FUND			25.13		
INTEREST	12/1/16	12/1/16	0.00	MONEY0002	MONEY MARKET FUND			58.40		
TOTALS								2,537,596.91		0.00

Tab III



Security Type ¹	Amortized Cost (Includes Interest)	Allocation Percentage	Notes	Permitted by Policy	In Compliance
Florida Prime (SBA)	-	0.00%		0%	YES
United States Treasury Securities	11,552,036.20	9.40%		100%	YES
United States Government Agency Securities	-	0.00%		50%	YES
Federal Instrumentalities	12,716,428.10	10.35%		80%	YES
Certificates of Deposit	23,908,354.00	19.46%	3	50%	YES
Repurchase Agreements	-	0.00%		50%	YES
Commercial Paper	16,250,243.44	13.23%		35%	YES
Corporate Notes	3,832,554.06	3.12%	2	35%	YES
Bankers' Acceptances	-	0.00%		35%	YES
State and/or Local Government Debt	446,363.13	0.36%		20%	YES
Money Market Account	493,487.00	0.40%		50%	YES
Intergovernmental Investment Pool	53,661,907.07	43.68%	3,4	50%	YES
Total	\$122,861,373.00	100.00%			

Notes:

1. End of month trade-date amortized cost of portfolio holdings, including accrued interest.
2. Maximum allocation in A rated securities is 10%. At month end there was 4.12% rated A by any two Nationally Recognized Statistical Rating Organizations.
3. Balances managed by the Town.
4. Combined total for Florida Municipal Investment Trust and FEIT Fund cannot exceed 50%.

Individual Issuer Breakdown	Amortized Cost (Includes Interest)	Allocation Percentage	Notes	Permitted by Policy	In Compliance
Government National Mortgage Association (GNMA)	-	0.00%		25%	YES
Federal Farm Credit Bank (FFCB)	-	0.00%		30%	YES
Federal Home Loan Bank (FHLB)	2,747,816.85	2.24%		30%	YES
Federal National Mortgage Association (FNMA)	9,191,320.17	7.48%		30%	YES
Federal Home Loan Mortgage Corporation (FHLMC)	777,291.08	0.63%		30%	YES
Bank of Tokyo Mitsubishi Commercial Paper	5,993,895.00	4.88%		15%	YES
JP Morgan Commercial Paper	4,781,136.00	3.89%		15%	YES
Bank of Montreal Chicago Commercial Paper	5,475,212.44	4.46%		15%	YES
Berkshire Hathaway Corporate Notes	50,203.07	0.04%		5%	YES
General Electric Corporate Notes	503,637.67	0.41%		5%	YES
American Honda Corporate Notes	211,121.38	0.17%		5%	YES
Microsoft Corporate Notes	130,451.61	0.11%		5%	YES
Boeing Company Corporate Notes	220,388.92	0.18%		5%	YES
Toyota Corporate Notes	458,909.48	0.37%		5%	YES
Wells Fargo & Company Corporate Notes	455,046.54	0.37%		5%	YES
Bank of New York Mellon Corporate Notes	456,754.59	0.37%		5%	YES
JP Morgan Corporate Notes	352,499.37	0.29%		5%	YES
Goldman Sachs Corporate Notes	280,820.76	0.23%		5%	YES
Cisco Systems Corporate Notes	401,174.05	0.33%		5%	YES
New York University Corporate Notes	60,530.10	0.05%		5%	YES
American Express Credit Corporate Notes	110,912.88	0.09%		5%	YES
Branch Banking & Trust Corporate Notes	90,156.96	0.07%		5%	YES
State Street Corp Notes	49,946.68	0.04%		5%	YES
New York City, New York Taxable G.O Bonds	446,363.13	0.36%		20%	YES
Florida Education Investment Trust Fund	17,154,113.07	13.96%	3	50%	YES
Bank United Money Market Account	8,038,999.00	6.54%	3	25%	YES
FMLvT 1-3	25,008,465.00	20.36%	3,4	50%	YES
FMLvT Intermediate	11,499,329.00	9.36%	3,4	50%	YES
Bank United CD's	4,001,828.00	3.26%	3	25%	YES
TD Bank CD's	11,867,527.00	9.66%	3	25%	YES

Notes:

1. End of month trade-date amortized cost of portfolio holdings, including accrued interest.
2. Maximum allocation in A rated securities is 10%. At month end there was 4.12% rated A by S&P and Moody's.
3. Managed by the Town.
4. Combined total for Florida Municipal Investment Trust cannot exceed 50%.

Important Disclosures

This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some but not all of which are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values which include accrued interest, are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg or Telerate. Where prices are not available from generally recognized sources the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount, expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more that can be traded in secondary markets.

Glossary

- **PAR VALUE:** The nominal dollar face amount of a security.
- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction occurs on a non-business day (i.e. coupon payments and maturity proceeds), the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred however the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

Investment Policy
Town of Palm Beach, Florida



Dated: March 11, 2014XXXXX

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Investment Policy of the Town of Palm Beach

I. PURPOSE

The purpose of this Investment Policy (hereinafter "Policy") is to set forth the investment objectives and parameters for the management of the funds of the Town of Palm Beach, (hereinafter "Town"). This Policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

II. SCOPE

In accordance with Section 218.415, Florida Statutes, this Policy applies to all cash and investments held or controlled by the Town and shall be identified as "general operating funds" of the Town with the exception of the Town's Pension Funds and funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Additionally, any future revenues, which have statutory investment requirements conflicting with this Policy and funds held by state agencies (e.g., Department of Revenue), are not subject to the provisions of this Policy.

III. INVESTMENT OBJECTIVES

Safety of Principal

The foremost objective of this investment program is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

~~From time to time, securities may be traded for other similar securities to improve yield, maturity or credit risk. For these transactions, a loss may be incurred for accounting purposes to achieve optimal investment return, provided any of the following occurs with respect to the replacement security:~~

- ~~A. The yield has been increased, or~~
- ~~B. The maturity has been reduced or lengthened, or~~
- ~~C. The quality of the investment has been improved.~~

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodically cash flow analyses will be completed in order to ensure that the portfolios are positioned to provide sufficient liquidity.

Return on Investment

The ~~Investment~~ portfolios shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. However, return is attempted through active management where the Investment Advisor utilizes a total return strategy (which includes both realized and unrealized gains and losses in the portfolio). This total return strategy seeks to increase the value of the portfolio through reinvestment of income and capital gains. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Despite this, an Investment Advisor may trade to recognize a loss from time to time to achieve a perceived relative value based on its potential to enhance the total return of the portfolio.

IV. DELEGATION OF AUTHORITY

Responsibility for management of the investment program is hereby delegated to the Finance Director, under the direction of the Town Manager. No investment activity shall take place except as provided under the terms of this Policy. The Town may appoint an outside investment manager as "Agent" for the Town's cash reserves. Such Investment Manager must be registered under the Investment Advisers Act of 1940. The "Agent" for the Town shall have discretion over the purchase and sale of securities within this investment Policy.

Positions authorized as investment signatories are the Town Manager and the Finance Director. If either of these individuals is unavailable, the Assistant Town Manager may authorize investment transactions in the place and stead of the Town Manager and the Assistant Finance Director may authorize investment transactions in the place and stead of the Finance Director.

In all cases, every investment transaction requires two authorizing signatures. However, the Town Manager and Assistant Town Manager are not authorized to countersign each other's signature. Nor are the Finance Director and Assistant Finance Director authorized to countersign each other's signature.

The Finance Director shall maintain an Investment Procedures and Internal Controls Manual based on this Policy. The Finance Director shall be responsible for monitoring internal controls, administrative controls and to regulate the activities of the Town's staff involved with the investment program.

V. STANDARDS OF PRUDENCE

The standard of prudence to be used by investment officials shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. Investment officers acting in accordance with written procedures and this investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the Town Council in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy. The "Prudent Person" rule states the following:

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their

own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by investment officials who are officers or employees is the "Prudent Person" standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

Attachment B
Investment Pool/Fund Questionnaire

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.

own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by investment officials who are officers or employees is the "Prudent Person" standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VI. ETHICS AND CONFLICTS OF INTEREST

Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Also, employees involved in the investment process shall disclose to the Investment Committee any material financial interests in financial institutions that conduct business with the Town, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the Town's investment program.

VII. INTERNAL CONTROLS AND INVESTMENT PROCEDURES

The Finance Director shall establish a system of internal controls and operational procedures that are in writing and made a part of the Town's operational procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. The written procedures should include reference to safekeeping, repurchase agreements, separation of transaction authority from accounting and record keeping, wire transfer agreements, banking service contracts, collateral/depository agreements, and "delivery vs. payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy. These procedures are intended to reduce the relatively low risk that material losses may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Independent auditors as a normal part of the annual financial audit to the Town shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

VIII. CONTINUING EDUCATION

The Finance Director and Assistant Finance Director and/or appropriate staff shall annually complete 8 hours of continuing education in subjects or courses of study related to investment practices and products.

IX. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

Authorized Town staff and Investment Advisors shall only purchase securities from financial institutions, which are Qualified Institutions by the Town or institutions designated as "Primary Securities Dealers" by the Federal Reserve Bank of New York. Authorized Town staff and Investment Advisors shall only enter

XI. RISK AND DIVERSIFICATION

Assets held shall be diversified to control risks resulting from over concentration of assets in a specific maturity, issuer, instruments, dealer, or bank through which these instruments are bought and sold. The Chief Financial Officer shall determine diversification strategies within the established guidelines.

XII. MASTER REPURCHASE AGREEMENT

The Chief Financial Officer will require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the SIFMA Master Repurchase Agreement. All repurchase agreement transactions will adhere to requirements of the SIFMA Master Repurchase Agreement.

XIII. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Finance Director, management designee or the Investment Advisor has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investments, a minimum of three (3) Qualified Institutions and/or Primary Dealers must be contacted and asked to provide bids/offers on securities in questions. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible and appropriate, securities may be purchased utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

- A. ~~Telerate Information System~~ Tradeweb
- B. Bloomberg Information Systems
- C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing
- D. Daily market pricing provided by the Town's custodian or their correspondent institutions

The Finance Director or the Investment Advisor shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison to a current market price, as indicated above, shall only be utilized when, in judgment of the Finance Director or the Investment Advisor, competitive bidding would inhibit the selection process.

Examples of when this method may be used include:

- A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process
- B. When no active market exists for the issue being traded due to the age or depth of the issue
- C. When a security is unique to a single dealer, for example, a private placement

Commercial Paper (CP)	50% ²	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	270 Days
		15% Industry Limit		
Bankers' Acceptances (BAs)	10% ²	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	180 Days
Repurchase Agreements (Repo or RP)	40%	20%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent) If the counterparty is a Federal Reserve Bank, no rating is required	1 Year
Money Market Funds (MMFs)	50%	25%	Highest Fund Rating by all NRSROs who rate the fund (AAA-m/Aaa-mf, or equivalent)	N/A
Intergovernmental Pools (LGIPs)	50%	25%	Highest Fund Quality and Volatility Rating Categories by all NRSROs who rate the LGIP (AAA-m/AAAF, S1, or equivalent)	N/A

Notes:

¹ Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. ST=Short-term; LT=Long-term.

² Maximum allocation to all corporate and bank credit instruments is 50% combined. The maximum amount to be held in the portfolio of any one industry will not exceed 15%.

³ Maximum exposure to any one Federal agency, including the combined holdings of Agency debt and Agency MBS, is 40%.

⁴ The maturity limit for MBS and ABS is based on the expected average life at time of settlement, measured using Bloomberg or other industry standard methods.

* Federal National Mortgage Association (FNMA); Federal Home Loan Mortgage Corporation (FHLMC); Federal Home Loan Bank or its District banks (FHLB); Federal Farm Credit Bank (FFCB).

- 1) **U.S. Treasury & Government Guaranteed** - U.S. Treasury obligations, and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U.S. Government.
- 2) **Federal Agency/GSE** - Debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency, instrumentality or government-sponsored enterprise (GSE).
- 3) **Supranationals** – U.S. dollar denominated debt obligations of a multilateral organization of governments where U.S. is a shareholder and voting member.
- 4) **Corporates** – U.S. dollar denominated corporate notes, bonds or other debt obligations issued or guaranteed by a domestic corporation, financial institution, non-profit, or other entity.
- 5) **Municipals** – Obligations, including both taxable and tax-exempt, issued or guaranteed by any State, territory or possession of the United States, political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government of any State or territory.
- 6) **Agency Mortgage Backed Securities** - Mortgage-backed securities (MBS), backed by residential, multi-family or commercial mortgages, that are issued or fully guaranteed as to principal and interest by a U.S. Federal agency or government sponsored enterprise, including but not limited to pass-throughs, collateralized mortgage obligations (CMOs) and REMICs.
- 7) **Asset-Backed Securities** - Asset-backed securities (ABS) whose underlying collateral consists of loans, leases or receivables, including but not limited to auto loans/leases, credit card receivables, student loans, equipment loans/leases, or home-equity loans.

- d. Should a security fall below the minimum credit rating requirement for purchase, the Investment Advisor will notify the Finance Director.
- e. The maximum maturity (or average life for MBS/ABS) of any investment is 5.50 years. Maturity and average life are measured from settlement date. The final maturity date can be based on any mandatory call, put, pre-refunding date, or other mandatory redemption date.
- 2. General portfolio limitations:
 - a. The maximum effective duration of the aggregate portfolio is 3 years.
- 3. Investment in the following are permitted, provided they meet all other policy requirements:
 - a. Callable, step-up callable, called, pre-refunded, puttable and extendable securities, as long as the effective final maturity meets the maturity limits for the sector
 - b. Variable-rate and floating-rate securities
 - c. Subordinated, secured and covered debt, if it meets the ratings requirements for the sector
 - d. Zero coupon issues and strips, excluding agency mortgage-backed Interest-only structures (I/Os)
 - e. Treasury TIPS
- 4. The following are **NOT PERMITTED** investments, unless specifically authorized by statute and with prior approval of the governing body:
 - a. Trading for speculation
 - b. Derivatives (other than callables and traditional floating or variable-rate instruments)
 - c. Mortgage-backed interest-only structures (I/Os)
 - d. Inverse or leveraged floating-rate and variable-rate instruments
 - e. Currency, equity, index and event-linked notes (e.g. range notes), or other structures that could return less than par at maturity
 - f. Private placements and direct loans, except as may be legally permitted by Rule 144A or commercial paper issued under a 4(2) exemption from registration
 - g. Convertible, high yield, and non-U.S. dollar denominated debt
 - h. Short sales
 - i. Use of leverage
 - j. Futures and options
 - k. Mutual funds, other than fixed-income mutual funds and ETFs, and money market funds
 - l. Equities, commodities, currencies and hard assets

A. ~~United States Government Securities~~

1. ~~Purchase Authorization~~

~~Authorized Staff may invest in negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to the following:~~

~~Cash Management Bills
Treasury Securities—State and Local Government Series (SLGS)
Treasury Bills
Treasury Notes
Treasury Bonds
Treasury Strips~~

2. ~~Portfolio Composition~~

1. ~~Purchase Authorization~~

~~Authorized Staff may invest in bonds, debentures or notes issued or guaranteed by United States Government sponsored agencies (Federal Instrumentalities which are non full faith and credit agencies) limited to the following:~~

~~Federal Farm Credit Bank (FFCB)
Federal Home Loan Bank or its District banks (FHLB)
Federal National Mortgage Association (FNMA)
Federal Home Loan Mortgage Corporation (Freddie Maes) including Federal Home Loan Mortgage Corporation participation certificates~~

2. ~~Portfolio Composition~~

~~A maximum of 80% of available funds may be invested in Federal Instrumentalities.~~

3. ~~Limits on Individual Issuers~~

~~A maximum of 30% of available funds may be invested in any one issuer.~~

4. ~~Maturity Limitations~~

~~The length to maturity for an investment in any Federal Instrumentality is five (5) years from the date of purchase.~~

D. ~~Non-Negotiable Interest Bearing Time Certificates of Deposit~~

1. ~~Purchase Authorization~~

~~Authorized Staff may invest in non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of this state and/or in national banks organized under the laws of the United States and doing business and situated in this state, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes and provided that the bank is not listed with any recognized credit watch information service.~~

2. ~~Portfolio Composition~~

~~A maximum of 50% of available funds may be invested in non-negotiable interest bearing time certificates of deposit or savings accounts.~~

3. ~~Limits on Individual Issuers~~

~~A maximum of 25% of available funds may be deposited with any one issuer.~~

4. ~~Maturity Limitations~~

~~The maximum maturity on any certificate shall be no greater than five (5) years from the date of purchase.~~

E. ~~Repurchase Agreements~~

~~The maximum length to maturity for prime commercial paper shall be 270 days from the date of purchase.~~

~~G. Corporate Notes~~

~~1. Purchase Authorization~~

~~The Finance Director may invest in corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, must be rated at least single "A" category by any two (2) Nationally Recognized Statistical Rating Organizations ("NRSROs").~~

~~2. Portfolio Composition~~

~~A maximum of 35% of available funds may be directly invested in corporate notes and a maximum allocation in "A" rated securities of 10%.~~

~~3. Limits on Individual Issuers~~

~~A maximum of 5% of available funds may be invested with any one issuer.~~

~~4. Maturity Limitations~~

~~The maximum length to maturity for corporate notes shall be five (5) years from the date of purchase.~~

~~I. Bankers' Acceptances~~

~~1. Purchase Authorization~~

~~Authorized Staff may invest in bankers' acceptances which are issued by a domestic bank which has at the time of purchase, an unsecured, uninsured and unguaranteed obligation rating of at least "Prime 1" by Moody's or "A-1" by Standard & Poor's.~~

~~2. Portfolio Composition~~

~~A maximum of 35% of available funds may be directly invested in bankers' acceptances.~~

~~3. Limits on Individual Issuers~~

~~A maximum of 20% of available funds may be invested with any one issuer.~~

~~4. Maturity Limitations~~

~~The maximum length to maturity for bankers' acceptances shall be 180 days from the date of purchase.~~

~~J. State and/or Local Government Taxable and/or Tax Exempt Debt~~

~~L. Intergovernmental Investment Pool~~

~~1. Investment Authorization~~

~~Authorized Staff may invest in intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s. 163.01, F.S.~~

~~2. Portfolio Composition~~

~~A maximum of 50% of available funds may be invested in intergovernmental investment pools.~~

~~3. Rating Requirements~~

~~The Intergovernmental Investment Pool shall be rated "AAA" by Standard & Poor's or the equivalent by another Nationally Recognized Statistical Rating Organizations ("NRSROs").~~

~~4. Due Diligence Requirements~~

~~A thorough review of any investment pool/fund is required prior to investing, and on a continual basis. Attachment B is a questionnaire that contains a list of questions, to be answered prior to investing, that cover the major aspects of any investment pool/fund.~~

XIII. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

Investment in any derivative products or the use of reverse repurchase agreements is prohibited unless specified in Section XIV.

A "derivative" is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values.

XIV. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios' performance, the Town will use performance benchmarks for short-term and long-term portfolios. The use of benchmarks will allow the Town to measure its returns against other investors in the same markets.

- A. ~~The The Operating Funds (short-term) investment portfolio shall be designed with the annual objective of exceeding the weighted average return (net book value rate of return) of the S&P Rated GIP Index All 30-Day Gross of Fees Yield.~~

~~short term investment portfolio shall be evaluated in comparison with the weighted average return (net book value rate of return) of the Standard & Poor's Local Government Investment Pool All 30 Day rate (LGIP30D). The Standard & Poor's LGIP30D represents Government Investment Pools that maintain a stable net asset value of \$1 per share with an average maturity of 30 days and is rated in Standard & Poor's two highest money market fund rating categories: "AAAm" and "AAm."~~

- B. Investment performance of funds designated as core funds and other non-operating funds that have a longer-term investment horizon will be compared to an ~~index comprised of U. S. Treasury or~~

Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Town Manager and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping, shall be permitted unless by such a duly authorized person.

The custodian shall provide the Finance Director or management designee with safekeeping statements that provide detail information on the securities held by the custodian.

On a monthly basis, the custodian will also provide reports that list all securities held for the Town, the book value of holdings and the market value as of month-end.

Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Securities held as collateral shall be held free and clear of any liens.

XVIII. INVESTMENT COMMITTEE

The Town has established an Investment Committee by Ordinance number 4-04. The ordinance provides for the appointments, terms, qualifications, functions, regulations and procedures regarding the activities of the committee.

XVIII. INVESTMENT POLICY ADOPTION

The Investment Policy shall be adopted by Town resolution. The Finance Director, Assistant Finance Director, and the Investment Committee shall review the Policy annually and submit recommendations to the Town Manager for review and approval. If a change in the Policy is recommended for approval by the Town Manager, the Finance Director will prepare the necessary report to Council.

APPROVED AS TO LEGAL FORM AND SUFFICIENCY

TOWN ATTORNEY

Bid Price. Price at which a broker/dealer offers to purchase a security from an investor.

Bond. Financial obligation for which the issuer promises to pay the bondholder (the purchaser or owner of the bond) a specified stream of future cash-flows, including periodic interest payments and a principal repayment.

Book Entry Securities. Securities that are recorded in a customer's account electronically through one of the financial markets electronic delivery and custody systems, such as the Fed Securities wire, DTC, and PTC

(as opposed to bearer or physical securities). The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. The vast majority of securities are now book entry securities.

Book Value. The value at which a debt security is reflected on the holder's records at any point in time. Book value is also called "amortized cost" as it represents the original cost of an investment adjusted for amortization of premium or accretion of discount. Also called "carrying value." Book value can vary over time as an investment approaches maturity and differs from "market value" in that it is not affected by changes in market interest rates.

Broker/Dealer. A person or firm transacting securities business with customers. A "broker" acts as an agent between buyers and sellers, and receives a commission for these services. A "dealer" buys and sells financial assets from its own portfolio. A dealer takes risk by owning inventory of securities, whereas a broker merely matches up buyers and sellers. See also "Primary Dealer."

Bullet Notes/Bonds. Notes or bonds that have a single maturity date and are non-callable.

Call Date. Date at which a call option may be or is exercised.

Call Option. The right, but not the obligation, of an issuer of a security to redeem a security at a specified value and at a specified date or dates prior to its stated maturity date. Most fixed-income calls are at par, but can be at any previously established price. Securities issued with a call provision typically carry a higher yield than similar securities issued without a call feature. There are three primary types of call options (1) European - one-time calls, (2) Bermudan - periodically on a predetermined schedule (quarterly, semi-annual, annual), and (3) American - continuously callable at any time on or after the call date. There is usually a notice period of at least 5 business days prior to a call date.

Callable Bonds/Notes. Securities which contain an imbedded call option giving the issuer the right to redeem the securities prior to maturity at a predetermined price and time.

Certificate of Deposit (CD). Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity). Can be as long as 10 years to maturity, but most CDs purchased by public agencies are one year and under.

Collateral. Investment securities or other property that a borrower pledges to secure repayment of a loan, secure deposits of public monies, or provide security for a repurchase agreement.

Collateralization. Process by which a borrower pledges securities, property, or other deposits for securing the repayment of a loan and/or security.

Collateralized Mortgage Obligation (CMO). A security that pools together mortgages and separates them into short, medium, and long-term positions (called tranches). Tranches are set up to pay different rates of interest depending upon their maturity. Interest payments are usually paid monthly. In "plain vanilla" CMOs, principal is not paid on a tranche until all shorter tranches have been paid off. This system provides interest and principal in a more predictable manner. A single pool of mortgages can be carved up into numerous tranches each with its own payment and risk characteristics.

Discount Rate. Rate charged by the system of Federal Reserve Banks on overnight loans to member banks. Changes to this rate are administered by the Federal Reserve and closely mirror changes to the "fed funds rate."

Discount Securities. Non-interest bearing money market instruments that are issued at discount and redeemed at maturity for full face value. Examples include: U.S. Treasury Bills, Federal Agency Discount Notes, Bankers' Acceptances, and Commercial Paper.

Discount. The amount by which a bond or other financial instrument sells below its face value. See also "Premium."

Diversification. Dividing investment funds among a variety of security types, maturities, industries, and issuers offering potentially independent returns.

Dollar Price. A bond's cost expressed as a percentage of its face value. For example, a bond quoted at a dollar price of 95 ½, would have a principal cost of \$955 per \$1,000 of face value.

Duff & Phelps. One of several NRSROs that provide credit ratings on corporate and bank debt issues.

Duration. The weighted average maturity of a security's or portfolio's cash-flows, where the present values of the cash-flows serve as the weights. The greater the duration of a security/portfolio, the greater its percentage price volatility with respect to changes in interest rates. Used as a measure of risk and a key tool for managing a portfolio versus a benchmark and for hedging risk. There are also different kinds of duration used for different purposes (e.g. MacAuley Duration, Modified Duration).

Fannie Mae. See "Federal National Mortgage Association."

Fed Money Wire. A computerized communications system that connects the Federal Reserve System with its member banks, certain U. S. Treasury offices, and the Washington D.C. office of the Commodity Credit Corporation. The Fed Money Wire is the book entry system used to transfer cash balances between banks for themselves and for customer accounts.

Fed Securities Wire. A computerized communications system that facilitates book entry transfer of securities between banks, brokers and customer accounts, used primarily for settlement of U.S. Treasury and Federal Agency securities.

Fed. See "Federal Reserve System."

Federal Agency Security. A debt instrument issued by one of the Federal Agencies. Federal Agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Federal Agency. Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets. The largest Federal Agencies are GNMA, FNMA, FHLMC, FHLB, FFCB, SLMA, and TVA.

Federal Deposit Insurance Corporation (FDIC). Federal agency that insures deposits at commercial banks, currently to a limit of \$250,000 per depositor per bank.

Federal Farm Credit Bank (FFCB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system that is a network of cooperatively-owned lending institutions that provides credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. Consists of the consolidated operations of the Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal Land Banks. Frequent issuer of discount notes, agency notes and callable agency securities. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have

Fitch Investors Service, Inc. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Floating Rate Security (FRN or "floater"). A bond with an interest rate that is adjusted according to changes in an interest rate or index. Differs from variable-rate debt in that the changes to the rate take place immediately when the index changes, rather than on a predetermined schedule. See also "Variable Rate Security."

Freddie Mac. See "Federal Home Loan Mortgage Corporation."

Ginnie Mae. See "Government National Mortgage Association."

Global Notes: Notes designed to qualify for immediate trading in both the domestic U.S. capital market and in foreign markets around the globe. Usually large issues that are sold to investors worldwide and therefore have excellent liquidity. Despite their global sales, global notes sold in the U.S. are typically denominated in U.S. dollars.

Government National Mortgage Association (GNMA or "Ginnie Mae"). One of the large Federal Agencies. Government-owned Federal Agency that acquires, packages, and resells mortgages and mortgage purchase commitments in the form of mortgage-backed securities. Largest issuer of mortgage pass-through securities. GNMA debt is guaranteed by the full faith and credit of the U.S. government (one of the few agencies that are actually full faith and credit of the U.S. government).

Government Securities. An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

Government Sponsored Enterprise (GSE). Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. government, but they are not direct obligations of the U.S. government. For this reason, these securities will offer a yield premium over U.S. Treasuries. Examples of GSEs include: FHLB, FHLMC, FNMA, and SLMA.

Government Sponsored Enterprise Security. A security issued by a Government Sponsored Enterprise. Considered Federal Agency Securities.

Index. A compilation of statistical data that tracks changes in the economy or in financial markets.

Interest-Only (IO) STRIP. A security based solely on the interest payments from the bond. After the principal has been repaid, interest payments stop and the value of the security falls to nothing. Therefore, IOs are considered risky investments. Usually associated with mortgage-backed securities.

Internal Controls. An internal control structure ensures that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. **Separation of transaction authority from accounting and record keeping** - A separation of duties is achieved by separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction.
3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.

Medium Term Notes (MTN's). Used frequently to refer to corporate notes of medium maturity (5-years and under). Technically, any debt security issued by a corporate or depository institution with a maturity from 1 to 10 years and issued under an MTN shelf registration. Usually issued in smaller issues with varying coupons and maturities, and underwritten by a variety of broker/dealers (as opposed to large corporate deals issued and underwritten all at once in large size and with a fixed coupon and maturity).

Money Market. The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund (MMF). A type of mutual fund that invests solely in money market instruments, such as: U.S. Treasury bills, commercial paper, bankers' acceptances, and repurchase agreements. Money market mutual funds are registered with the SEC under the Investment Company Act of 1940 and are subject to "rule 2a-7" which significantly limits average maturity and credit quality of holdings. MMF's are managed to maintain a stable net asset value (NAV) of \$1.00. Many MMFs carry ratings by a NRSRO.

Moody's Investors Service. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Mortgage Backed Securities (MBS). Mortgage-backed securities represent an ownership interest in a pool of mortgage loans made by financial institutions, such as savings and loans, commercial banks, or mortgage companies, to finance the borrower's purchase of a home or other real estate. The majority of MBS are issued and/or guaranteed by GNMA, FNMA, and FHLMC. There are a variety of MBS structures with varying levels of risk and complexity. All MBS have reinvestment risk as actual principal and interest payments are dependent on the payment of the underlying mortgages which can be prepaid by mortgage holders to refinance and lower rates or simply because the underlying property was sold.

Mortgage Pass-Through Securities. A pool of residential mortgage loans with the monthly interest and principal distributed to investors on a pro-rata basis. The largest issuer is GNMA.

Municipal Note/Bond. A debt instrument issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Mutual Fund. Portfolio of securities professionally managed by a registered investment company that issues shares to investors. Many different types of mutual funds exist (e.g., bond, equity, and money market funds); all except money market funds operate on a variable net asset value (NAV).

Negotiable Certificate of Deposit (Negotiable CD). Large denomination CDs (\$100,000 and larger) that are issued in bearer form and can be traded in the secondary market.

Net Asset Value. The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets including securities, cash, and any accrued earnings, then subtracting the total assets from the fund's liabilities, and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$\frac{[(\text{Total assets}) - (\text{Liabilities})]}{(\text{Number of shares outstanding})}$$

NRSRO. A "Nationally Recognized Statistical Rating Organization" (NRSRO) is a designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating. Includes Moody's, S&P, Fitch, and Duff & Phelps.

Offered Price. See also "Ask Price."

6. Has been designated by the Chief Financial Officer as a qualified public depository.

Range Note. A type of structured note that accrues interest daily at a set coupon rate that is tied to an index. Most range notes have two coupon levels; a higher accrual rate for the period the index is within a designated range, the lower accrual rate for the period that the index falls outside the designated range. This lower rate may be zero and may result in zero earnings.

Rate of Return. Amount of income received from an investment, expressed as a percentage of the amount invested.

Realized Gains (Losses). The difference between the sale price of an investment and its book value. Gains/losses are “realized” when the security is actually sold, as compared to “unrealized” gains/losses which are based on current market value. See “Unrealized Gains (Losses).”

Reference Bills: FHLMC’s short-term debt program created to supplement its existing discount note program by offering issues from one month through one year, auctioned on a weekly or on an alternating four-week basis (depending upon maturity) offered in sizeable volumes (\$1 billion and up) on a cycle of regular, standardized issuance. Globally sponsored and distributed, Reference Bill issues are intended to encourage active trading and market-making and facilitate the development of a term repo market. The program was designed to offer predictable supply, pricing transparency, and liquidity, thereby providing alternatives to U.S. Treasury bills. FHLMC’s Reference Bills are unsecured general corporate obligations. This program supplements the corporation’s existing discount note program. Issues under the Reference program constitute the same credit standing as other FHLMC discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Reference Notes: FHLMC’s intermediate-term debt program with issuances of 2, 3, 5, 10, and 30-year maturities. Initial issuances range from \$2 - \$6 billion with re-openings ranging \$1 - \$4 billion.

The notes are high-quality bullet structures securities that pay interest semiannually. Issues under the Reference program constitute the same credit standing as other FHLMC notes; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Repurchase Agreement (Repo). A short-term investment vehicle where an investor agrees to buy securities from a counterparty and simultaneously agrees to resell the securities back to the counterparty at an agreed upon time and for an agreed upon price. The difference between the purchase price and the sale price represents interest earned on the agreement. In effect, it represents a collateralized loan to the investor, where the securities are the collateral. Can be DVP, where securities are delivered to the investor’s custodial bank, or “tri-party” where the securities are delivered to a third party intermediary. Any type of security can be used as “collateral.” but only some types provide the investor with special bankruptcy protection under the law. Repos should be undertaken only when an appropriate Securities Industry and Financial Markets Association (SIFMA) approved master repurchase agreement is in place.

Reverse Repurchase Agreement (Reverse Repo). A repo from the point of view of the original seller of securities. Used by dealers to finance their inventory of securities by essentially borrowing at short-term rates. Can also be used to leverage a portfolio and in this sense, can be considered risky if used improperly.

Safekeeping. Service offered for a fee, usually by financial institutions, for the holding of securities and other valuables. Safekeeping is a component of custody services.

Secondary Market. Markets for the purchase and sale of any previously issued financial instrument.

Securities Industry and Financial Markets Association (SIFMA). The bond market trade association representing the largest securities markets in the world. In addition to publishing a Master Repurchase Agreement, widely accepted as the industry standard document for Repurchase Agreements, the SIFMA also recommends bond market closures and early closes due to holidays.

Securities Lending. An arrangement between an investor and a custody bank that allows the custody bank to “loan” the investor’s investment holdings, reinvest the proceeds in permitted investments, and shares any profits

Total Return. Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

Treasuries. Collective term used to describe debt instruments backed by the U.S. government and issued through the U.S. Department of the Treasury. Includes Treasury bills, Treasury notes, and Treasury bonds. Also a benchmark term used as a basis by which the yields of non-Treasury securities are compared (e.g., "trading at 50 basis points over Treasuries").

Treasury Bills (T-Bills). Short-term direct obligations of the United States government issued with an original term of one year or less. Treasury bills are sold at a discount from face value and do not pay interest before maturity. The difference between the purchase price of the bill and the maturity value is the interest earned on the bill. Currently, the U.S. Treasury issues 4-week, 13-week, and 26-week T-Bills.

Treasury Bonds. Long-term interest-bearing debt securities backed by the U.S. government and issued with maturities of ten years and longer by the U.S. Department of the Treasury.

Treasury Notes. Intermediate interest-bearing debt securities backed by the U.S. government and issued with maturities ranging from one to ten years by the U.S. Department of the Treasury. The Treasury currently issues 2-year, 3-year, 5-year, and 10-year Treasury Notes.

Trustee. A bank designated by an issuer of securities as the custodian of funds and official representative of bondholders. Trustees are appointed to insure compliance with the bond documents and to represent bondholders in enforcing their contract with the issuer.

Uniform Net Capital Rule. SEC Rule 15c3-1 that outlines the minimum net capital ratio (ratio of indebtedness to net liquid capital) of member firms and non-member broker/dealers.

Unrealized Gains (Losses). The difference between the market value of an investment and its book value. Gains/losses are "realized" when the security is actually sold, as compared to "unrealized" gains/losses which are based on current market value. See also "Realized Gains (Losses)."

Variable-Rate Security. A bond that bears interest at a rate that varies over time based on a specified schedule of adjustment (e.g., daily, weekly, monthly, semi-annually, or annually). See also "Floating Rate Note."

Weighted Average Maturity (or just "Average Maturity"). The average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. A simple measure of risk of a fixed-income portfolio.

Weighted Average Maturity to Call. The average maturity of all securities and investments of a portfolio, adjusted to substitute the first call date per security for maturity date for those securities with call provisions.

Yield Curve. A graphic depiction of yields on like securities in relation to remaining maturities spread over a time line. The traditional yield curve depicts yields on U.S. Treasuries, although yield curves exist for Federal Agencies and various credit quality corporates as well. Yield curves can be positively sloped (normal) where longer-term investments have higher yields, or "inverted" (uncommon) where longer-term investments have lower yields than shorter ones.

Yield to Call (YTC). Same as "Yield to Maturity," except the return is measured to the first call date rather than the maturity date. Yield to call can be significantly higher or lower than a security's yield to maturity.

Yield to Maturity (YTM). Calculated return on an investment, assuming all cash-flows from the security are reinvested at the same original yield. Can be higher or lower than the coupon rate depending on market rates and

Attachment A
Glossary of Cash and Investment Management Terms

Derivatives—For hedging purposes, common derivatives are options, futures, swaps and swaptions. All Collateralized Mortgage Obligations ("CMOs") are derivatives. (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

Derivative Security—Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Diversification—A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration—A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Federal Home Loan Banks (FHLB)—Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquify the housing-related assets of its members who must purchase stock in their district Bank.

Federal National Mortgage Association (FNMA)—FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Government National Mortgage Association (GNMA OR GINNIE MAE)—Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. The security holder is protected by full faith and credit of the U. S. Government. Ginnie Mae securities are backed by the FHA, VA, or FMHM mortgages. The term "passthroughs" is often used to describe Ginnie Maes.

Government Securities—An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

Internal Controls—An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

Attachment A
Glossary of Cash and Investment Management Terms

Master Repurchase Agreement — A written contract covering all future transactions between parties to repurchase reverse repurchase agreement that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer lender to liquidate the underlying securities in the event of default by the seller borrower.

Maturity — The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity".

Money Market — The market in which short term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund — Mutual funds that invest solely in money market instruments (short term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

National Association of Securities Dealers (NASD) — A self-regulatory organization (SRO) of brokers and dealers in the over the counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Net Asset Value — The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

$$\frac{((\text{Total assets}) - (\text{Liabilities}))}{(\text{Number of shares outstanding})}$$

Par — Face value or principal value of a bond, typically \$1,000 per bond.

Portfolio — Collection of securities held by an investor.

Principal — The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Qualified Public Depository — Per Florida Statute 280, means any bank, saving bank or savings association that:

- (a) Is organized and exists under the laws of the United States, the laws of this state or any other state or territory of the United States;
- (b) Has its principal place of business in this state or has a branch office in this state which is authorized under the laws of this state or of the United States to receive deposits in this state.
 - (e) Has deposit insurance under the provision of the Federal Deposit Insurance Act, as amended, 12 U.S.C. ss.1811 seq.
- (d) Meets all requirements of F.S. 280
- (e) Has been designated by the Chief Financial Officer of the State of Florida as a qualified public depository.

Attachment A
Glossary of Cash and Investment Management Terms

Yield Curve—A graph showing the relationship at a single point in time between the available maturities of a security or similar securities with essentially identical credit risk and the yields that can be earned for each of those available maturities. A graphical depiction of the term structure of interest rates at any given point in time. Yield curves may be constructed for different instruments.

Yield to call (YTC)—The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date. **Yield Curve**—A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield to maturity—The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Zero-coupon Securities—Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

Town of Palm Beach

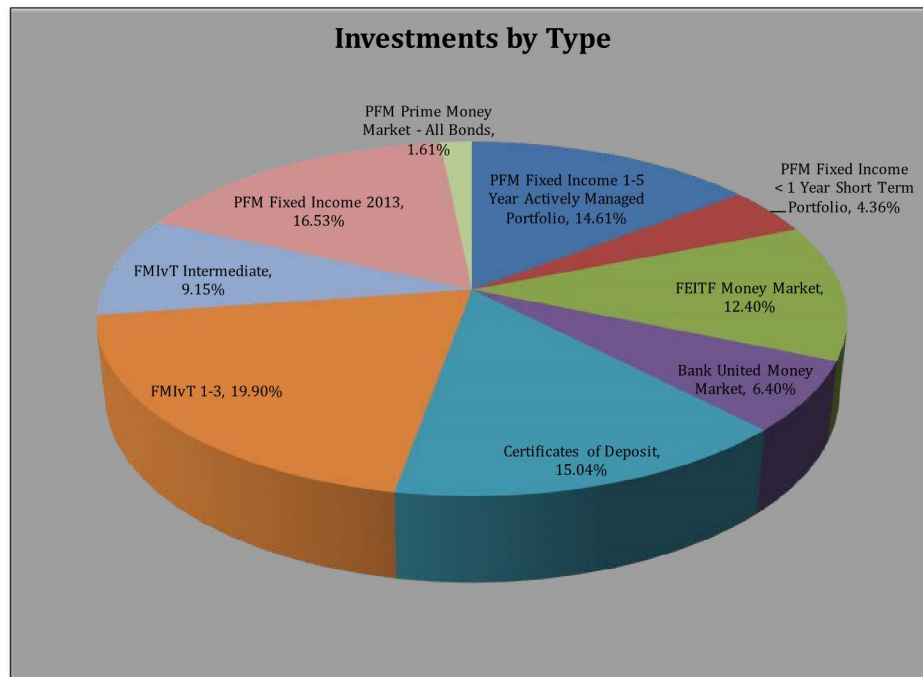
Investment Portfolio Performance



December 2016

Portfolio Return by Investment

Investment	December Balance	Return December-16	2017 Fiscal YTD (3 mo.)	2016 Fiscal YTD (3 mo.)	2016 Fiscal (12 mos.)
Core Investments					
PFM Fixed Income 1-5 Year Actively Managed Portfolio	\$ 18,352,716	\$ 12,695	\$ (183,918)	\$ (68,465)	\$ 331,633
PFM Fixed Income < 1 Year Short Term Portfolio	5,476,328	2,603	\$ 34,019	0	52,079
FEITF/TD Custody Money Market	15,577,850	3,607	\$ 7,832	8	11,842
Bank United Money Market	8,038,999	2,692	\$ 3,627	3,647	8,692
Certificates of Deposit	15,869,355	16,407	\$ 42,031	66,620	216,269
FMIvT 1-3	25,008,465	12,172	\$ (49,013)	(67,693)	192,410
FMIvT Intermediate	11,499,329	(1,179)	\$ (186,736)	(59,103)	287,266
Total Core Investments	\$ 99,823,042	\$ 48,997	\$ (332,158)	\$ (124,986)	\$ 1,100,191
Bond Funds					
Certificates of Deposit	\$ 3,028,459	\$ 2,662	\$ 7,938	-	\$ 54,145
PFM Fixed Income 2013	20,773,098	10,922	\$ 3,870	(77,526)	133,618
FEITF/TD Custody Money Market	2,020,268	960	\$ 2,831	529	8,904
Total Bond Funds	\$ 25,821,825	\$ 14,544	\$ 14,639	\$ (76,997)	\$ 196,667
Total	\$ 125,644,867	\$ 63,541	\$ (317,519)	\$ (201,983)	\$ 1,296,858



Portfolio Total Return vs. Benchmark

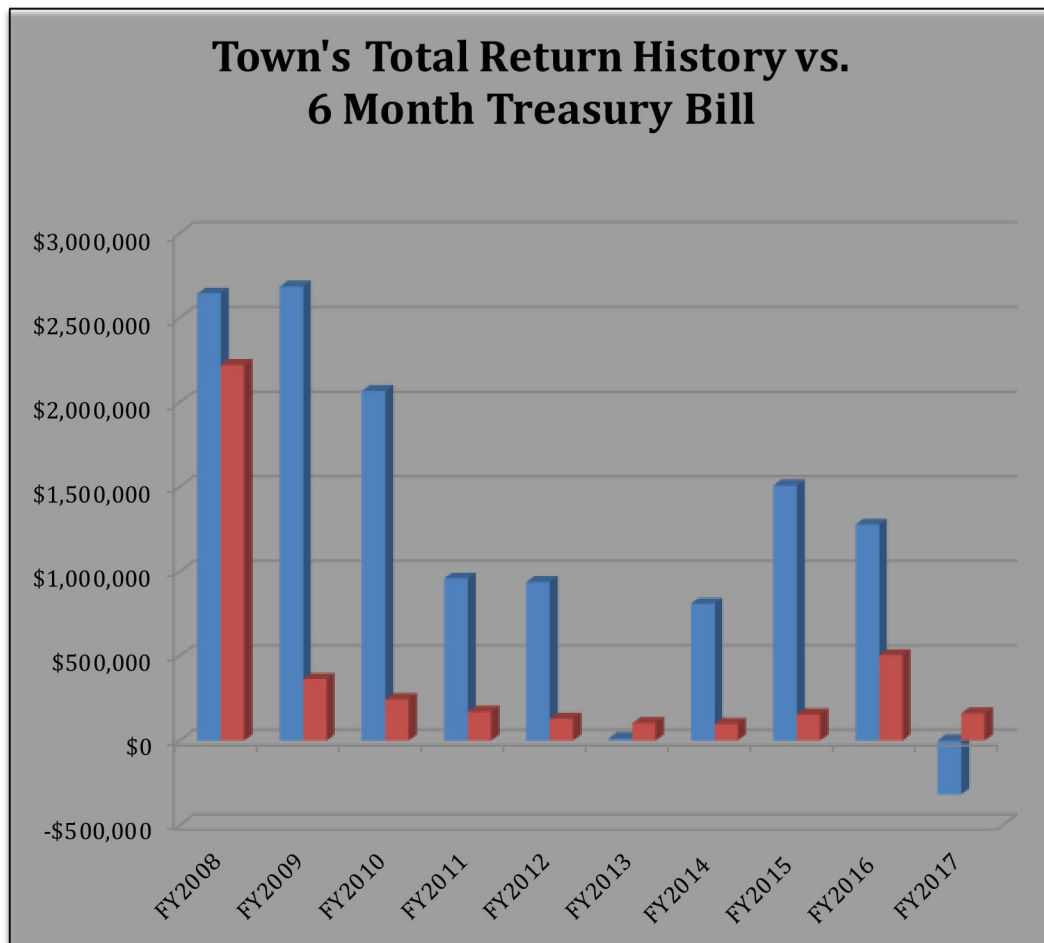
Core Investments	Monthly December-16	2017 Fiscal YTD (3 mo.)	2016 Fiscal YTD (3 mo.)	1 Year	3 Years	5 Years
Long Term Core Investments Total Return Performance (Discretionary)						
PFM Fixed Income 1-5 Year Actively Managed Portfolio	0.07%	-0.97%	-0.46%	1.28%	1.18%	N/A
Merrill Lynch 1-5 Year U.S. Treasury/Agency Index	0.02%	-1.07%	-0.65%	1.09%	1.10%	N/A
Certificates of Deposit (a)	0.11%	0.37%	0.30%	1.25%	N/A	N/A
Merrill Lynch 1 Year Treasury Index	0.05%	0.08%	-0.17%	0.81%	N/A	N/A
FMIvT 1-3	0.06%	-0.18%	-0.24%	1.05%	0.75%	0.76%
BOA Merrill Lynch 1-3 Year Govt Index	0.03%	-0.43%	-0.43%	0.89%	0.69%	0.59%
FMIvT Intermediate	-0.04%	-1.60%	-0.49%	1.57%	2.22%	1.69%
Barclays Int G/C ex BAA+ABS+MBS	0.01%	-2.08%	-0.47%	1.57%	2.32%	1.77%
Town's Long Term Core Investments Total Return Performance	0.06%	-0.47%	-0.20%	1.32%	1.14%	0.94%
Total Return Blended Benchmark Performance (b)	0.03%	-0.69%	-0.43%	0.71%	0.91%	0.78%
(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 Dec -2016	Annualized Fiscal YTD (12 mo.)	Prior Fiscal YTD (12 mos.)	1 Year	3 Years	5 Years
PFM Fixed Income < 1 Year Short Term Portfolio Yield to Maturity at	1.25%	1.25%	N/A	N/A	N/A	N/A
Cost S&P GIP Government 30 Day Index (c)	0.72%	0.68%	N/A	N/A	N/A	N/A
(c) Short Term Benchmark changed to the Standard & Poor's LGIP30D represents Government Investment Pools Index.						

Bond Funds	Monthly December-16	2017 Fiscal YTD (3 mo.)	2016 Fiscal YTD (3 mo.)	1 Year	3 Years	5 Years
Bond Proceed Portfolios' Yield to Maturity at Cost Performance						
PFM Fixed Income 2013 - Yield to Maturity at Cost	1.03%	1.03%	0.63%	0.82%	N/A	N/A
Merrill Lynch 3 Month U.S. Treasury Bill Index - Yield to Maturity	0.43%	0.35%	0.06%	0.25%	N/A	N/A
Town's Bond Investments Yield to Maturity at Cost Performance	1.03%	1.03%	0.63%	0.82%	0.55%	
Blended Yield - ML 1 Year U.S. Treasury Index Benchmark	0.43%	0.16%	0.06%	0.25%	0.05%	

Money Market Fund Total Return Performance - As of 12/31/16						
Florida Education Investment Trust	0.73%	N/A	0.16%	0.63%	N/A	N/A
iMoneyNet Money Market Fund Index	0.46%	N/A	0.08%	0.27%	N/A	N/A

Total Investment Return History

Fiscal Year	Estimated		
	Town's Total Return	Return - 6 Month TBill	Difference
FY2008	\$ 2,642,478	\$ 2,219,743	\$ 422,735
FY2009	2,683,901	363,524	2,320,377
FY2010	2,067,072	244,917	1,822,155
FY2011	957,872	169,447	788,425
FY2012	935,823	129,485	806,338
FY2013	11,870	103,463	(91,593)
FY2014	807,906	98,048	709,858
FY2015	1,506,923	153,068	1,353,855
FY2016	1,276,858	504,712	772,146
FY2017	(317,519)	159,801	(477,320)
Total	\$ 12,573,184	\$ 4,146,208	\$ 8,426,976

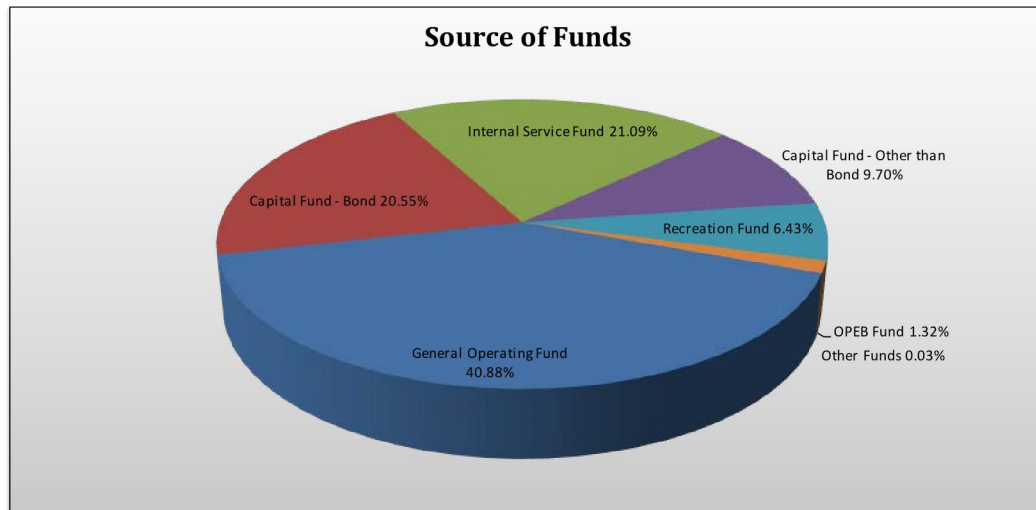


Town's FY2017 Monthly Investment Return vs. 6 Month Treasury Bill

Period	Investment Balance	Town's Monthly Total Return	6 Month T-Bill Rate	Estimated Return - 6 Month T-Bill	Difference
Oct-16	\$ 102,154,231	\$ (48,313)	0.51%	43,416	\$ (91,729)
Nov-16	99,618,063	(332,747)	0.62%	51,469	(384,216)
Dec-16	125,644,867	63,541	0.62%	64,917	(1,376)
Jan-17				-	-
Feb-17				-	-
Mar-17				-	-
Apr-17				-	-
May-17				-	-
Jun-17				-	-
Jul-17				-	-
Aug-17				-	-
Sep-17				-	-
Total		\$ (317,519)		\$ 159,801	\$ (477,320)

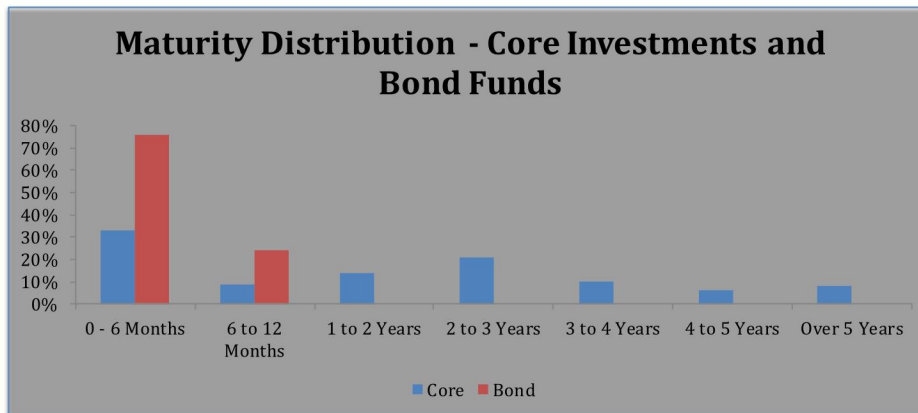
Portfolio Composition by Source of Funds

Investment	General Operating	Capital	Internal Service	Recreation	OPEB	Other Funds	Total
Non-Bond Funds							
PFM Fixed Income:							
1-5 Year	6,307,434	6,367,651	4,637,730	79,707	960,194	-	18,352,716
PFM Fixed Income:							
< One Year	5,476,328	-	-	-	-	-	5,476,328
Money Market	18,011,296	2,926,997	1,881,205	63,575	696,244	37,532	23,616,849
Certificates of Deposit	15,869,355	-	-	-	-	-	15,869,355
FMIvT Fixed Income:							
1-3 Year	3,907,491	1,983,871	13,683,572	5,433,531	-	-	25,008,465
FMIvT Fixed Income:							
Intermediate	1,796,733	912,218	6,291,945	2,498,433	-	-	11,499,329
Sub Total Non Bond Funds	51,368,637	12,190,737	26,494,452	8,075,246	1,656,438	37,532	99,823,042
Bond Funds							
PFM Fixed Income	-	20,773,098	-	-	-	-	20,773,098
Certificates of Deposit	-	3,028,459	-	-	-	-	3,028,459
Money Market	-	2,020,268	-	-	-	-	2,020,268
Sub Total Bond Funds	-	25,821,825	-	-	-	-	25,821,825
Total	51,368,637	38,012,562	26,494,452	8,075,246	1,656,438	37,532	125,644,867



Portfolio Distribution by Maturity

	PFM Investments	Money Market Accts.	FMIvT 1-3 Year	FMIvT Intermediate	Certificates of Deposit	Total
Core Investments						
0 - 6 Months	\$5,476,328	\$23,616,849	\$0	\$0	\$4,001,562	\$33,094,739
6 to 12 Months	2,651,966	-	373,823	388,797	4,001,828	8,671,884
1 to 2 Years	2,945,611	-	9,992,049	1,236,293	-	14,173,953
2 to 3 Years	4,650,578	-	7,023,885	1,514,663	7,865,965	21,055,091
3 to 4 Years	4,962,574	-	3,548,530	1,522,527	-	10,033,632
4 to 5 Years	3,141,985	-	1,570,242	1,310,266	-	6,022,493
Over 5 Years	-	-	2,499,935	5,526,783	-	8,026,719
Total Core Investments	\$23,829,044	\$23,616,849	\$25,008,465	\$11,499,329	\$15,869,355	\$99,823,042
Bond Funds						
0 - 6 Months	\$14,526,627	\$2,020,268	\$0	\$0	\$3,028,459	\$19,575,354
6 to 12 Months	6,246,471	-	-	-	-	6,246,471
1 to 2 Years	-	-	-	-	-	-
2 to 3 Years	-	-	-	-	-	-
3 to 4 Years	-	-	-	-	-	-
4 to 5 Years	-	-	-	-	-	-
Over 5 Years	-	-	-	-	-	-
Total Bond Funds	\$20,773,098	\$2,020,268	\$0	\$0	\$3,028,459	\$25,821,825



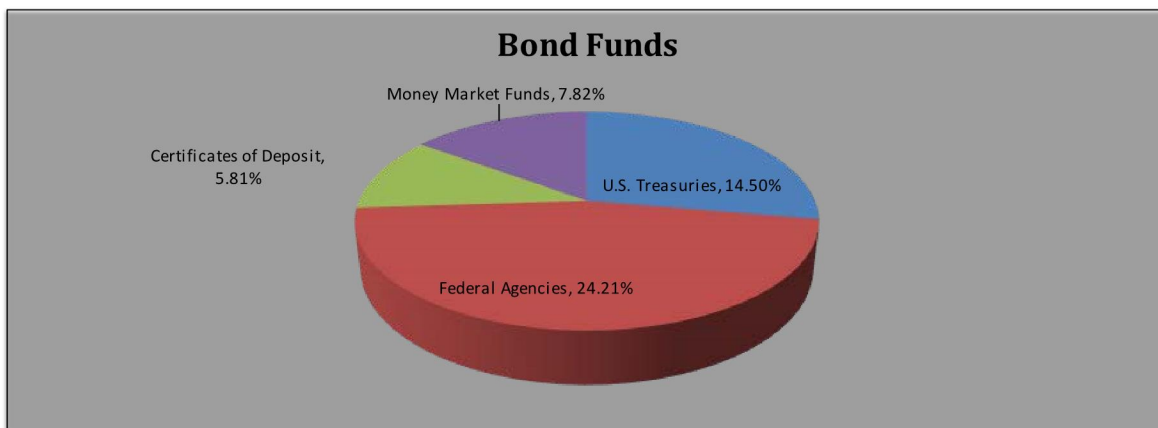
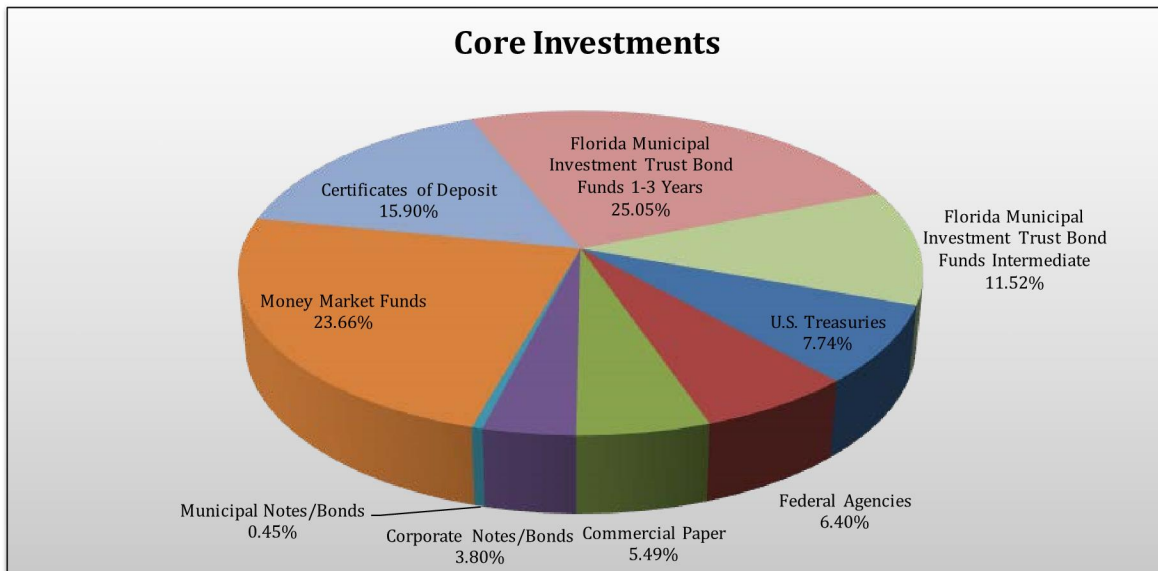
Core Investments - Weighted Average Duration Calculation

Investment	Market Value	% of Portfolio	Duration (Yrs)	Weighted Avg. Duration (Yrs)
PFM Fixed Income 1-5 Year	\$ 18,352,716	18.39%	2.59	0.48
PFM Fixed Income < 1 Year	\$ 5,476,328	5.49%	0.36	0.02
FEITF/TD Money Market	\$ 23,616,849	23.66%	0.13	0.03
Bank United Certificate of Deposit	\$ 4,001,828	4.01%	1.00	0.04
TD Bank Certificates of Deposit	\$ 11,867,527	11.89%	2.50	0.30
FMIvT 1-3	\$ 25,008,465	25.05%	1.42	0.36
FMIvT Intermediate	\$ 11,499,329	11.52%	3.73	0.43
Total	\$ 99,823,042	100.00%		1.65

Portfolio Composition by Security Type

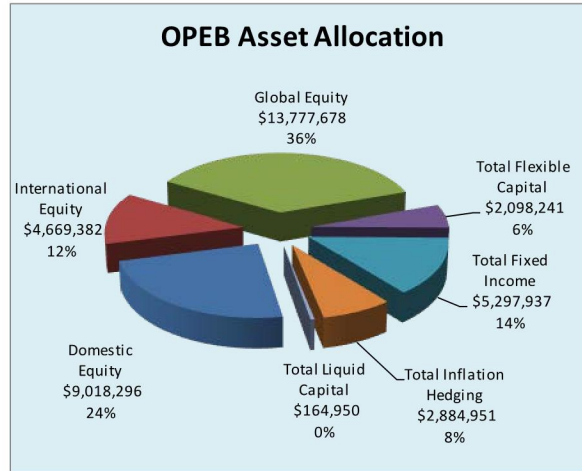
Security Type	Value	Distribution
Core Investments		
U.S. Treasuries	\$ 7,727,417	7.74%
Federal Agencies	6,389,430	6.40%
Commercial Paper	5,476,328	5.49%
Corporate Notes/Bonds	3,789,574	3.80%
Municipal Notes/Bonds	446,295	0.45%
Money Market Funds	23,616,849	23.66%
Certificates of Deposit	15,869,355	15.90%
Florida Municipal Investment Trust Bond Funds 1-3 Years	25,008,465	25.05%
Florida Municipal Investment Trust Bond Funds Intermediate	11,499,329	11.52%
Total Core Investments	\$ 99,823,042	100.00%

Security Type	Value	Distribution
Bond Funds		
U.S. Treasuries	\$ 3,746,190	14.50%
Federal Agencies	6,251,809	24.21%
Commercial Paper	10,775,099	41.73%
Certificates of Deposit	3,028,459	11.73%
Money Market Funds	2,020,268	7.82%
Total Bond Funds	\$ 25,821,825	100.00%



Health Insurance Trust (OPEB) Performance
as of December 31, 2016
Market Value - \$24,223,757

	1 mo	3 mo	Fiscal YTD	Calendar YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	Return Since July 2007
Total Fund	0.8	1.3	1.3	6.9	6.9	1.1	1.5	6.4	2.7
Target Index	1.3	1.2	1.2	7.6	7.6	2.0	2.1	5.9	3



Town of Palm Beach
Certificate of Deposit Schedule
as of 12/31/16

Amount	Date Purchased	Maturity Date	Term	Yield
Bank United				
\$ 3,000,000	2/4/2016	8/4/2017	18 mo.	1.05%
4,000,000	12/15/2016	12/15/2017	1 yr.	1.05%
7,000,000	Sub Total Bank United			
TD Bank				
\$ 5,000,000	6/1/2014	6/1/2019	5 yr.	1.86%
2,500,000	6/1/2014	6/1/2019	5 yr.	1.84%
4,000,000	12/13/2016	6/13/2017	6 mo.	0.75%
11,500,000	Sub Total TD Bank			
\$ 18,500,000	Total Certificates of Deposit			



FMIVT 1-3 Year High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest Maturity		Cost	Price	Market		Unrealized % of Total		from Investment Manager				
			Rate	Date			Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's	S&P	RATING
02007CAD4	11,670,000.00	ALLYA 2016-1 A3 1.	1.470	04/15/2020	11,668,668.45	100.05	11,675,687.96	7,019.51	3.46%	1.47	1.17	1.19	Aaa	N.R.	N.R.
05581RAB2	635,797.51	BMWLT 2016-1 A2A 1	1.170	01/22/2018	635,735.27	100.02	635,912.91	177.64	0.19%	1.13	0.31	0.31	Aaa	N.R.	N.R.
05581RAD8	12,000,000.00	BMWLT 2016-1 A3 1.	1.340	01/22/2019	11,998,590.00	99.91	11,989,664.40	(8,925.60)	3.56%	1.32	1.03	1.05	Aaa	N.R.	N.R.
12594BAB8	2,749,948.09	CNH 16-A A2A 1.22	1.220	07/15/2019	2,749,758.89	100.00	2,749,968.16	209.27	0.82%	1.25	0.51	0.52	Aaa	N.R.	N.R.
12625HAD4	8,000,000.00	CNH 13-B-A4 0.99 1	0.990	11/15/2018	7,997,588.80	99.97	7,997,372.00	(216.80)	2.37%	1.22	0.30	0.31	Aaa	N.R.	N.R.
14312QAC0	4,880,000.00	CARMX 16-4 A3 1.40	1.400	08/15/2021	4,878,800.01	98.93	4,827,710.31	(51,089.70)	1.43%	1.94	2.32	2.38	Aaa	N.R.	N.R.
14313LAD8	1,828,733.70	CARMX 13-1 A4 0.89	0.890	08/17/2018	1,823,947.56	99.93	1,827,505.89	3,558.33	0.54%	1.24	0.21	0.21	Aaa	AAA	AAA
14313VAB0	1,670,754.48	CARMX 15-3 A2A 1.1	1.100	11/15/2018	1,670,586.57	99.98	1,670,386.91	(199.66)	0.50%	1.21	0.25	0.25	Aaa	N.R.	N.R.
14313XAB6	1,059,443.54	CARMX 15-4 A2A 1.0	1.090	04/15/2019	1,059,354.97	99.99	1,059,323.08	(31.89)	0.31%	1.15	0.32	0.33	Aaa	AAA	AAA
14313XAC4	795,000.00	CARMX 15-4 A3 1.56	1.560	11/16/2020	798,912.89	100.04	795,302.42	(3,610.47)	0.24%	1.57	1.41	1.44	Aaa	AAA	AAA
14313YAB4	7,174,881.41	CARMX 16-1 A2A 1.3	1.300	04/15/2019	7,174,516.21	100.03	7,176,865.98	2,349.77	2.13%	1.26	0.44	0.45	Aaa	AAA	AAA
14314EAC5	7,385,000.00	CARMX 16-3 A3 1.39	1.390	05/17/2021	7,383,896.68	99.34	7,336,108.35	(47,788.33)	2.18%	1.81	2.08	2.13	NR	AAA	AAA
161571HG2	6,345,000.00	CHAIT 2016-A6 A6 1	1.100	01/15/2020	6,344,342.02	99.76	6,329,904.61	(14,437.41)	1.88%	1.38	1.01	1.03	NR	AAA	AAA
17305EDY8	9,620,000.00	CITIBANK CR CD 07-	5.650	09/20/2019	10,231,794.53	103.10	9,918,477.82	(313,316.71)	2.94%	1.21	0.69	0.71	Aaa	AAA	AAA
31283KU89	383,807.00	FHLMC GOLD #G11507	4.500	01/01/2019	411,033.31	102.77	394,449.97	(16,583.34)	0.12%	1.87	0.76	0.78	Aaa	AA+	AA+
3128MBU21	586,581.38	FHLMC GOLD #G13101	4.500	11/01/2019	629,108.53	102.65	602,114.05	(26,994.48)	0.18%	1.87	0.92	0.95	Aaa	AA+	AA+
3128MEW98	1,773,411.49	FHLMC G(G1-5872	5.000	06/01/2026	1,890,900.00	105.81	1,876,411.23	(14,488.77)	0.56%	1.76	1.72	1.79	Aaa	AA+	AA+
3130A8DB6	10,400,000.00	FHLB 1.125 6/21/19	1.125	06/21/2019	10,498,191.75	99.43	10,340,824.00	(157,367.75)	3.07%	1.36	2.43	2.48	Aaa	AA+	AA+
3135G0J53	9,250,000.00	FNMA 1.0 2/26/19	1.000	02/26/2019	9,309,440.50	99.38	9,192,465.00	(116,975.50)	2.73%	1.29	2.11	2.16	Aaa	AA+	AA+
3136A2ZT3	1,633,973.49	FNMA 2011-122 EC 1	1.500	01/25/2020	1,656,365.85	100.05	1,634,840.31	(21,525.54)	0.49%	1.31	0.90	0.91	Aaa	AA+	AA+
3136A3UG4	2,453,024.74	FNMA REMIC TRUST 2	1.750	12/25/2021	2,496,850.12	100.41	2,463,031.12	(33,819.00)	0.73%	1.63	1.44	1.47	Aaa	AA+	AA+
3136A9YB8	3,487,347.24	FNMA 2012-123 WM 2	2.500	02/25/2022	3,592,240.12	101.19	3,528,700.55	(63,539.57)	1.05%	1.44	1.12	1.14	Aaa	AA+	AA+
3136ACQT1	2,693,103.83	FNMA 2013-21 BA 1.	1.000	03/25/2023	2,680,059.11	98.57	2,654,604.83	(25,454.28)	0.79%	1.93	2.07	2.14	Aaa	AA+	AA+
3136APD58	1,314,594.54	FNMA 2015-55 JA 2.	2.000	07/25/2025	1,331,232.38	100.60	1,322,498.01	(8,734.37)	0.39%	1.86	1.87	1.93	Aaa	AA+	AA+
3137A1W74	208,196.03	FHLMC 3728 CA 1.5	1.500	10/15/2018	210,619.56	100.10	208,414.14	(2,205.42)	0.06%	1.32	0.75	0.76	Aaa	AA+	AA+
3137A2MV0	360,999.10	FHLMC 3756 DA 1.2	1.200	11/15/2018	363,678.39	99.86	360,481.72	(3,196.67)	0.11%	1.37	0.77	0.78	Aaa	AA+	AA+
3137A4Y68	498,068.39	FHLMC 3799 GK 2.75	2.750	01/15/2021	516,668.13	101.89	507,498.52	(9,169.61)	0.15%	1.64	1.58	1.62	Aaa	AA+	AA+
3137A6AZ5	3,014,037.88	FHMS K010 A1 3.32	3.320	07/25/2020	3,105,518.63	101.36	3,055,179.20	(50,339.43)	0.91%	1.33	0.79	0.80	Aaa	AA+	AA+
3137A6SW3	60,165.44	FHLMC 3812 BA 2.0	2.000	09/15/2018	61,396.95	100.38	60,395.59	(1,001.36)	0.02%	1.34	0.70	0.71	Aaa	AA+	AA+
3137A7LJ7	106,956.34	FHR 3826 ME MTGE	2.250	07/15/2018	109,429.71	100.50	107,490.78	(1,938.93)	0.03%	1.44	0.69	0.70	Aaa	AA+	AA+
3137A8NB0	289,940.94	FHLMC 3830 DA 2.5	2.500	12/15/2018	299,817.05	100.70	291,966.55	(7,850.50)	0.09%	1.43	0.73	0.74	Aaa	AA+	AA+
3137A9PK6	237,686.65	FHLMC 3842 CJ 2.0	2.000	09/15/2018	240,583.45	100.40	238,644.03	(1,939.42)	0.07%	1.40	0.75	0.76	Aaa	AA+	AA+
3137A9YB6	405,889.08	FHLMC 3838 AE 2.5	2.500	11/15/2018	417,051.03	100.72	408,798.17	(8,252.86)	0.12%	1.44	0.75	0.76	Aaa	AA+	AA+
3137AAR54	540,000.10	FED HOME LN MTG CO	2.500	10/15/2018	552,065.73	100.70	543,772.22	(8,293.51)	0.16%	1.42	0.71	0.72	Aaa	AA+	AA+

FMlVT 1-3 Year High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest	Maturity	Market			% of Total			from Investment Manager			
					Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL
02007CAD4	11,670,000.00	ALLYA 2016-1 A3 1.	1.470	04/15/2020	11,668,668.45	100.05	11,675,687.96	7,019.51	3.46%	1.47	1.17	1.19	Aaa	N.R.
3137AAYD9	93,993.19	FED HOME LN MTG CO	2.000	08/15/2018	94,903.75	100.53	94,486.76	(416.99)	0.03%	1.24	0.72	0.73	Aaa	AA+
3137ACJU4	261,451.44	FHLMC 3872 ND 2.0	2.000	12/15/2021	266,762.17	100.68	263,233.41	(3,528.76)	0.08%	1.55	1.51	1.55	Aaa	AA+
3137ACK99	2,594,877.96	FHLMC 3876 CA 2.75	2.750	06/15/2026	2,679,414.23	100.94	2,619,383.73	(60,030.50)	0.78%	1.43	0.78	0.79	Aaa	AA+
3137ACKA6	1,242,960.29	FHLMC 3876 CB 2.75	2.750	06/15/2026	1,264,517.88	100.98	1,255,170.26	(9,347.62)	0.37%	1.37	0.78	0.79	Aaa	AA+
3137ACUK3	121,517.94	FHLMC 3895 CD 2.0	2.000	10/15/2018	123,644.51	100.51	122,133.60	(1,510.91)	0.04%	1.23	0.73	0.74	Aaa	AA+
3137AJAV6	324,110.76	FHLMC 3955 YA 1.75	1.750	03/15/2021	328,807.83	100.33	325,170.80	(3,637.03)	0.10%	1.41	1.00	1.02	Aaa	AA+
3137AL6V6	1,417,171.56	FHMS K706 A2 2.323	2.323	10/25/2018	1,434,387.98	101.27	1,435,166.10	778.12	0.43%	1.55	1.70	1.74	Aaa	AA+
3137ANMN2	1,689,000.00	FHMS K707 A2 2.22	2.220	12/25/2018	1,711,959.84	101.10	1,707,597.92	(4,361.92)	0.51%	1.64	1.86	1.89	Aaa	AA+
3137AQV7	739,187.68	FHMS K709 A1 1.56	1.560	10/25/2018	742,306.13	100.08	739,802.31	(2,503.82)	0.22%	1.39	0.93	0.94	Aaa	AA+
3137B03W2	4,997,021.85	FHMS K502 A2 1.426	1.426	08/25/2017	5,096,867.34	100.07	5,000,434.32	(96,433.02)	1.48%	1.10	0.48	0.48	Aaa	AAA
3137B9BG9	2,633,528.04	Freddie Mac 3/15/2	1.750	03/15/2022	2,677,454.47	100.39	2,643,782.21	(33,672.26)	0.78%	1.58	1.45	1.49	Aaa	AA+
3137BERG1	1,556,034.40	FHLMC 4399 CB 2.5	2.500	09/15/2024	1,582,049.35	100.65	1,566,072.53	(15,976.82)	0.46%	1.26	0.59	0.60	Aaa	AA+
3137GA2H9	319,311.39	FHLMC 3730 GE 2.5	2.500	08/15/2020	329,589.23	101.20	323,134.54	(6,454.69)	0.10%	1.65	1.43	1.47	Aaa	AA+
3138ELAW3	4,821,688.13	FNMA #A(AL3620	2.500	05/01/2023	4,914,166.62	102.10	4,923,184.67	9,018.05	1.46%	1.77	2.14	2.23	Aaa	AA+
3138EMBX8	156,840.44	FED NATL MTG ASSN	6.000	01/01/2019	167,427.17	101.85	159,738.85	(7,688.32)	0.05%	1.15	0.50	0.51	Aaa	AA+
31392UMQ4	31,547.72	FHLMC 2503 BH 5.5	5.500	09/15/2017	33,952.00	101.05	31,879.89	(2,072.11)	0.01%	1.68	0.34	0.34	Aaa	AA+
31393AC88	123,433.55	FNMA 2003-24 BC 5.	5.000	04/25/2018	132,768.21	101.66	125,476.72	(7,291.49)	0.04%	1.58	0.58	0.59	Aaa	AA+
31393NK24	66,526.61	FHLMC REMIC SERIES	5.000	03/15/2018	71,516.11	101.69	67,648.93	(3,867.18)	0.02%	1.59	0.55	0.56	Aaa	AA+
31393RLW8	124,442.70	FHLMC 2633 PE 4.5	4.500	06/15/2018	132,531.48	101.85	126,746.32	(5,785.16)	0.04%	1.43	0.65	0.67	Aaa	AA+
31393RVZ0	85,688.53	FHLMC 2631 LC 4.5	4.500	06/15/2018	91,151.17	101.83	87,257.90	(3,893.27)	0.03%	1.42	0.65	0.66	Aaa	AA+
31393UGR8	32,916.66	FNMA 2003-120	4.000	12/25/2018	34,816.76	101.65	33,458.14	(1,358.62)	0.01%	1.51	0.76	0.77	Aaa	AA+
31394WAF5	181,260.19	FHLMC 2786 BC 4.0	4.000	04/15/2019	194,118.34	102.18	185,210.96	(8,907.38)	0.05%	1.67	0.98	1.00	Aaa	AA+
31396QKJ7	226,485.90	FNMA 2009-52 AJ 4.	4.000	07/25/2024	240,888.99	102.51	232,176.24	(8,712.75)	0.07%	1.74	1.19	1.23	Aaa	AA+
31396QZS1	344,603.51	FNMA 2009-70 CL 3.	3.000	08/25/2019	355,560.83	101.04	348,187.04	(7,373.79)	0.10%	1.31	0.72	0.73	Aaa	AA+
31397A5S8	423,685.62	FHLMC 3209 EG 4.5	4.500	08/15/2020	453,409.81	102.93	436,095.33	(17,314.48)	0.13%	2.01	1.25	1.30	Aaa	AA+
31397FV90	20,218.55	FHLMC REMIC SERIES	4.500	03/15/2022	21,987.67	102.61	20,746.04	(1,241.63)	0.01%	1.61	0.97	1.00	Aaa	AA+
31397NFA8	608,023.93	FNMA 2009-17 AN 4.	4.500	03/25/2024	645,360.40	102.45	622,891.82	(22,468.58)	0.18%	1.65	0.94	0.97	Aaa	AA+
31397SAY0	740,688.27	FNMA 2011-16 GE 2.	2.750	06/25/2020	757,915.52	100.85	747,013.08	(10,902.44)	0.22%	1.60	0.86	0.88	Aaa	AA+
31397UDX4	622,315.93	FNMA 2011-47 MA 2.	2.500	01/25/2022	639,552.44	101.28	630,311.76	(9,240.68)	0.19%	1.55	1.31	1.34	Aaa	AA+
31398FU33	2,836,242.59	FNMA 2009-88 DC 3.	3.250	10/25/2020	2,931,522.61	101.77	2,886,336.59	(45,186.02)	0.86%	1.36	1.02	1.04	Aaa	AA+
31398JV22	613,345.89	FHLMC 3578 B 4.5 9	4.500	09/15/2024	642,288.15	101.79	624,310.18	(17,977.97)	0.19%	1.34	0.62	0.63	Aaa	AA+
31398M5L6	309,457.78	FNMA 2010-32 CL 3.	3.750	08/25/2018	324,954.85	101.60	314,410.99	(10,543.86)	0.09%	1.33	0.75	0.77	Aaa	AA+
31398RXB6	3,193,308.49	FNMA 2010-58 PT 2.	2.250	06/25/2025	3,272,143.29	101.25	3,233,120.42	(39,022.87)	0.96%	1.68	1.53	1.57	Aaa	AA+
31398S350	413,017.84	FNMA 2010-153 AC 2	2.000	11/25/2018	418,051.49	100.47	414,951.34	(3,100.15)	0.12%	1.27	0.79	0.80	Aaa	AA+
31403DSV2	181,493.25	FNMA #745832 6.0 4	6.000	04/01/2021	198,281.38	104.64	189,910.91	(8,370.47)	0.06%	1.76	1.21	1.26	Aaa	AA+
31418AFV5	3,956,600.38	FNMA #M(MA1079	2.500	06/01/2022	4,029,859.29	101.86	4,029,995.32	136.03	1.20%	1.72	2.02	2.10	Aaa	AA+
36159JBZ3	6,195,000.00	GEMNT 10-2 A 4.47	4.470	03/15/2020	7,024,549.22	100.67	6,236,199.23	(788,349.99)	1.85%	1.15	0.19	0.19	Aaa	AAA
38374FW69	86,779.48	GNMA 2004-30 UC 5.	5.500	02/20/2034	95,972.68	104.11	90,348.53	(5,624.15)	0.03%	1.02	0.97	0.99	Aaa	AA+

FMLVT 1-3 Year High Quality Bond Fund
Holdings as of 12/31/16

Investment Portfolio Overview										from Investment Manager				
Asset ID	Units	Asset Description	Interest	Maturity	Market		Unrealized		% of Total	Moody's			S&P	
					Price	Value	Gain/Loss	Market		YTM	DUR	WAL		RATING
02007CAD4	11,670,000.00	ALLYA 2016-1 A3 1.	1.470	04/15/2020	11,668,668.45	100.05	11,675,687.96	7,019.51	3.46%	1.47	1.17	1.19	Aaa	N.R.
38374MY86	209,341.70	GNMA 2006-17 KY 5.	5.000	04/20/2036	217,977.04	102.60	214,776.40	(3,200.64)	0.06%	1.39	0.78	0.80	Aaa	AA+
38377JT29	1,547,755.91	GNMA 2010-117 JA 2	2.500	03/20/2040	1,598,876.50	101.11	1,564,996.83	(33,879.67)	0.46%	1.69	1.52	1.56	Aaa	AA+
43814QAC2	5,250,000.00	HAROT 2016-2 A3 1.	1.390	04/15/2020	5,249,898.15	99.84	5,241,861.45	(8,036.70)	1.56%	1.54	1.57	1.61	Aaa	N.R.
43814RAC0	5,845,000.00	HAROT 2016-4 A3 1.	1.210	12/18/2020	5,844,620.66	99.20	5,798,366.25	(46,254.41)	1.72%	1.66	2.06	2.11	NR	AAA
44890RAC5	641,687.64	HART 2014-A A3 0.7	0.790	07/16/2018	641,572.91	99.96	641,452.01	(120.90)	0.19%	1.09	0.14	0.14	Aaa	AAA
44890UAD6	1,200,000.00	HART 2014-B A4 1.4	1.460	11/15/2019	1,205,109.37	100.13	1,201,514.52	(3,594.85)	0.36%	1.37	0.97	0.98	NR	AAA
587729AD6	750,000.00	MBART 2014-1 A4 1.	1.310	11/16/2020	751,611.33	100.01	750,073.28	(1,538.05)	0.22%	1.34	0.91	0.93	Aaa	N.R.
58772PAD0	10,750,000.00	MBART 2015-1 A3 1.	1.340	12/16/2019	10,748,691.73	99.97	10,746,553.55	(2,138.18)	3.19%	1.41	1.01	1.02	NR	AAA
65477UAC4	3,322,986.73	NAROT 15-A A3 1.06	1.050	10/15/2019	3,322,288.24	99.84	3,317,730.76	(4,557.48)	0.98%	1.31	0.69	0.70	Aaa	N.R.
65478AAB9	3,533,950.43	NAROT 15-C A2A 0.8	0.870	11/15/2018	3,533,680.79	99.94	3,531,956.22	(1,724.57)	1.05%	1.05	0.35	0.35	Aaa	N.R.
65478UAD1	1,865,000.00	NAROT 16-A A3 1.34	1.340	10/15/2020	1,864,576.27	99.70	1,859,398.66	(5,177.61)	0.55%	1.58	1.65	1.68	Aaa	N.R.
65478WAD7	5,275,000.00	NAROT 16-C A3 1.18	1.180	01/15/2021	5,274,495.71	99.06	5,225,528.41	(48,967.30)	1.55%	1.72	1.99	2.04	Aaa	N.R.
912828J68	14,000,000.00	US TREASURY 1.0 3/	1.000	03/15/2018	14,074,421.90	100.05	14,006,580.00	(67,841.90)	4.16%	0.96	1.19	1.20	Aaa	AA+
912828L40	24,000,000.00	US TREASURY 1.0 9/	1.000	09/15/2018	24,123,830.40	99.79	23,949,360.00	(174,470.40)	7.11%	1.13	1.68	1.71	Aaa	AA+
912828R44	16,000,000.00	US TREASURY 0.875	0.875	05/15/2019	16,013,178.60	99.04	15,846,880.00	(166,298.60)	4.70%	1.29	2.34	2.37	Aaa	AA+
912828RH5	7,500,000.00	US TREASURY 1.375	1.375	09/30/2018	7,587,622.78	100.38	7,528,125.00	(59,497.78)	2.23%	1.16	1.72	1.75	Aaa	AA+
912828RY8	23,000,000.00	US TREASURY 1.375	1.375	12/31/2018	23,048,592.56	100.32	23,074,520.00	25,927.44	6.85%	1.21	1.97	2.00	Aaa	AA+
912828S68	4,000,000.00	US TREASURY WTI 7/	0.750	07/31/2018	3,999,461.52	99.46	3,978,600.00	(20,861.52)	1.18%	1.09	1.56	1.58	Aaa	AA+
912828U40	7,000,000.00	US TREASURY 1.0 11	1.000	11/30/2018	6,971,039.08	99.68	6,977,600.00	6,560.92	2.07%	1.17	1.89	1.92	Aaa	AA+
912828UZ1	8,000,000.00	US TREASURY 0.625	0.625	04/30/2018	7,960,964.32	99.51	7,960,960.00	(4.32)	2.36%	0.99	1.32	1.33	Aaa	AA+
912828VE7	23,250,000.00	US TREASURY 1.0 5/	1.000	05/31/2018	23,158,075.98	99.96	23,240,932.50	82,856.52	6.90%	1.03	1.40	1.41	Aaa	AA+
98161FAD7	9,350,000.00	WOLS 2016-A A3 1.4	1.450	08/15/2019	9,348,827.51	99.72	9,323,745.20	(25,082.31)	2.77%	1.67	1.79	1.83	Aaa	N.R.
					336,188,843.24		336,657,457.52	(2,828,110.17)	99.88%	1.32	1.43	1.45		
WF ADV GOV'T MM FD-														
VP4560000	410,143.70	INSTL #1751			410,143.70	1.00	410,143.70	0.00	0.12%	0.01	-	-	Aaa-mf	AAAm
					339,895,711.39		337,067,601.22	(2,828,110.17)	100.00%	1.32	1.42	1.45		
					336,598,986.94									

VP4560000
WF ADV GOVT MM FD-
410.143.70 INSTL #1751

Portfolio NAV	337,632,349.37
# Shares	18,479,459.7000
NAV per Shares	18.270683



FMIvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Interest				Maturity		Market		Unrealized		% of Total		from Investment Manager			
Asset ID		Units	Asset Description	Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's RATING	S&P RATING
02005AC55		1,100,000.00	AMOT 2012-4 A 1.72	1.720	07/15/2019	1,112,632.82	100.25	1,102,695.22	(9,937.60)	0.34%	1.30	0.52	0.57	NR	AAA
02005ACW6		2,640,000.00	AMOT 2012-5 A 1.54	1.540	09/15/2019	2,665,368.77	100.14	2,643,755.14	(21,613.63)	0.83%	1.38	0.69	0.69	NR	AAA
02006TAB2		565,150.52	ALLYA 2014-1 A3 0.	0.970	10/15/2018	564,885.61	99.97	564,962.83	77.22	0.18%	1.11	0.29	0.29	Aaa	AAA
02006JAE3		2,868,526.85	ALLYL 2014-SN2 A4	1.210	02/20/2019	2,868,904.73	100.00	2,868,585.37	(319.36)	0.90%	1.21	0.10	0.10	NR	AAA
02006XAE7		860,000.00	ALLYL 2015-SN1 A4	1.380	02/20/2019	861,343.75	100.07	860,576.37	(767.38)	0.27%	1.14	0.21	0.22	Aaa	N.R.
02006YAB1		392,167.00	ALLYA 2015-1 A2 0.	0.920	02/15/2018	392,162.06	99.98	392,101.55	(60.51)	0.12%	1.31	0.05	0.05	Aaa	AAA
03062AAD8		1,185,714.24	AMER CRD 14-3 A3 1	1.150	06/10/2019	1,185,714.24	99.96	1,185,202.37	(511.87)	0.37%	1.36	0.23	0.23	Aaa	AAA
03064VAC2		735,839.05	AMER CRD 14-2 A3 0	0.940	02/08/2019	734,430.61	99.92	735,222.86	792.25	0.23%	1.59	0.14	0.14	Aaa	N.R.
03064XAE4		367,420.98	AMER CRD 2012-5 C	1.690	11/08/2018	368,683.99	100.01	367,458.31	(1,225.68)	0.11%	1.21	0.01	0.01	NR	AAA
03065DAB3		3,650,000.00	AMER CRD 16-3 A2A	1.370	11/08/2019	3,649,770.05	100.05	3,651,969.90	2,199.85	1.14%	1.31	0.59	0.59	NR	AAA
03065JAD6		1,547,152.67	AMER CRD 14-4 A3 1	1.270	07/08/2019	1,547,636.16	99.99	1,546,993.78	(642.38)	0.48%	1.33	0.30	0.31	NR	AAA
03065NAD7		1,840,000.00	AMER CRD 15-3 A3 1	1.540	03/09/2020	1,844,600.00	100.09	1,841,708.07	(2,891.93)	0.58%	1.44	0.70	0.71	NR	AAA
03065TAB8		3,655,000.00	AMERICREDIT AUTO R	1.340	04/08/2020	3,654,785.82	99.95	3,653,262.41	(1,523.41)	1.14%	1.43	0.80	0.81	NR	AAA
084670BR8		3,875,000.00	BERKSHIRE 2.75 3/1	2.750	03/15/2023	3,967,961.25	99.62	3,860,468.75	(107,492.50)	1.21%	2.82	5.62	6.21	Aa2	AA
12594DAB4		1,500,000.00	CNH 16-B A2A 1.31	1.310	10/15/2019	1,499,992.80	100.01	1,500,126.60	133.80	0.47%	1.33	0.68	0.68	Aaa	N.R.
12625HAC6		55,306.63	CNH 13-B-A3 0.69 8	0.690	08/15/2018	55,285.03	99.98	55,293.88	8.85	0.02%	1.23	0.10	0.10	Aaa	N.R.
13056MAC1		1,707,358.05	CRART 2015-2 A3 1.	1.310	08/15/2019	1,709,425.56	100.00	1,707,283.10	(2,142.46)	0.53%	1.42	0.48	0.48	NR	AAA
13056TAB8		1,056,750.24	CRART 2013-2 A2 1.	1.230	03/15/2019	1,057,575.83	100.02	1,056,952.71	(623.12)	0.33%	1.20	0.37	0.37	Aaa	N.R.
13974MAB2		1,650,000.00	AFIN 2016-2 A2A 1.	1.320	01/22/2019	1,649,951.66	100.04	1,650,613.30	661.64	0.52%	1.26	0.46	0.47	Aaa	AAA
13975JAC6		737,903.79	AFIN 2014-3 A3 1.4	1.480	11/20/2018	738,797.34	100.07	738,388.00	(409.34)	0.23%	1.24	0.26	0.26	Aaa	N.R.
14041NFE6		3,500,000.00	COMET 2016-A3 A3 1	1.340	04/15/2022	3,499,975.50	98.89	3,461,265.50	(38,710.00)	1.08%	1.88	2.38	2.44	NR	AAA
143127AH1		298,687.55	CARMX 15-2 A2A 0.8	0.820	06/15/2018	298,655.89	99.98	298,626.38	(29.51)	0.09%	1.28	0.05	0.05	Aaa	N.R.
14312QAB2		3,935,000.00	CARMX 16-4 A2 1.21	1.210	11/15/2019	3,934,786.72	99.80	3,927,189.81	(7,596.91)	1.23%	1.44	0.98	0.99	Aaa	N.R.
14313MAD6		512,228.03	CARMX 13-2 A4 0.84	0.840	11/15/2018	511,567.74	99.87	511,580.98	13.24	0.16%	1.24	0.34	0.34	NR	AAA
14313RAC7		621,426.48	CARMX 14-2 A3 0.98	0.980	01/15/2019	621,256.56	99.93	621,006.27	(250.29)	0.19%	1.19	0.35	0.36	Aaa	AAA
14313VAB0		1,030,891.06	CARMX 15-3 A2A 1.1	1.100	11/15/2018	1,030,787.46	99.98	1,030,664.26	(123.20)	0.32%	1.21	0.25	0.25	Aaa	N.R.
14313VAH7		2,044,008.13	CARMX 15-3 A2B FLT	1.154	11/15/2018	2,044,008.13	100.05	2,044,933.04	924.91	0.64%	0.98	0.10	0.25	Aaa	N.R.
14314EAC5		3,225,000.00	CARMX 16-3 A3 1.39	1.390	05/17/2021	3,224,518.19	99.34	3,203,649.21	(20,868.98)	1.00%	1.81	2.08	2.13	NR	AAA
31283GFD4		43.07	FHLMC P(G0-0164	10.000	06/01/2021	46.94	101.24	43.60	(3.34)	0.00%	2.77	1.02	1.15	Aaa	AA+
3128LXB25		252,582.12	FHLMC P(G0-1857	5.000	10/01/2033	249,937.90	110.16	278,234.36	28,296.46	0.09%	2.97	4.09	4.64	Aaa	AA+
3128M9Z21		6,845,387.44	FHLMC G(G0-7661	3.000	08/01/2043	6,643,789.93	99.84	6,834,092.55	190,302.62	2.13%	3.04	6.92	8.54	Aaa	AA+
3128MCFN8		566,026.45	FHLMC GOLD #G13790	4.500	04/01/2025	591,437.17	105.56	597,486.20	6,049.03	0.19%	1.87	2.64	2.82	Aaa	AA+
3128MCMY6		130,326.68	FHLMC GOLD #G14095	4.500	08/01/2025	136,843.01	105.72	137,776.15	933.14	0.04%	1.87	2.52	2.69	Aaa	AA+
3128MJT67		1,927,485.99	FHLMC G(G0-8572	3.500	02/01/2044	1,963,927.52	102.93	1,983,980.60	20,053.08	0.62%	3.08	5.69	6.87	Aaa	AA+

FMIvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest	Maturity	from Investment Manager									
					Market	Unrealized	% of Total	Moody's	S&P					
			Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	RATING	RATING
3128MJUF5	1,354,980.57	FHLMC G(G0-8581	3.500	04/01/2044	1,390,760.53	102.46	1,388,367.29	(2,393.24)	0.43%	3.08	5.55	6.68	Aaa	AA+
3128MJVH0	5,745,262.23	FHLMC G(G0-8615	3.500	11/01/2044	5,954,425.68	102.46	5,886,825.49	(67,600.19)	1.84%	3.08	5.69	6.87	Aaa	AA+
31292GBB1	1,617.06	FHLMC P(CO-0034	10.000	03/01/2021	1,776.57	109.34	1,768.16	(8.41)	0.00%	2.77	1.50	1.62	Aaa	AA+
31294MNG2	3,247,622.08	FHLMC GOLD #E03091	3.000	04/01/2027	3,394,272.51	102.75	3,336,801.78	(57,470.73)	1.04%	2.26	3.40	3.66	Aaa	AA+
31294MNH0	2,607,909.03	FHLMC GOLD #E03092	3.000	04/01/2027	2,731,377.22	102.74	2,679,496.13	(51,881.09)	0.84%	2.26	3.37	3.64	Aaa	AA+
31294MPH8	4,087,075.39	FHLMC GOLD #E03124	3.000	04/01/2027	4,275,464.02	102.74	4,199,061.26	(76,402.76)	1.31%	2.26	3.28	3.53	Aaa	AA+
31307BY95	1,417,204.99	FG #J23(J2-3436	2.500	04/01/2028	1,467,471.48	100.37	1,422,448.65	(45,022.83)	0.44%	2.30	3.75	4.07	Aaa	AA+
3136A0FK8	230,000.00	FNMA 2011-M4 A2 3.	3.726	06/25/2021	242,039.06	105.36	242,329.38	290.32	0.08%	2.39	4.03	4.40	Aaa	AA+
3136AH2E9	1,000,000.00	FNMA 2014-M1 A2 3.	3.363	07/25/2023	981,278.00	103.24	1,032,429.10	51,151.10	0.32%	2.69	5.76	6.46	Aaa	AA+
3136AQV80	625,000.00	FNMA 2016-M1 A2 2.	2.939	01/25/2026	628,092.19	100.09	625,593.13	(2,499.06)	0.20%	2.94	7.79	9.14	Aaa	AA+
3136G0DU2	250,000.00	FEDERAL NATL MTG A	2.000	04/30/2020	250,000.00	101.19	252,985.00	2,985.00	0.08%	1.63	3.21	3.33	Aaa	AA+
3136G16Y0	250,000.00	FEDERAL NATL MTG A	1.070	12/26/2018	250,000.00	99.57	248,927.50	(1,072.50)	0.08%	1.29	1.96	1.99	Aaa	AA+
3136G1AZ2	250,000.00	FEDERAL NATL MTG A	1.000	01/30/2018	250,000.00	99.68	249,210.00	(790.00)	0.08%	1.29	1.07	1.08	Aaa	AA+
31371C6H7	1,870.61	FNMA PO(248472	6.500	12/01/2023	1,806.41	113.14	2,116.35	309.94	0.00%	2.77	2.22	2.37	Aaa	AA+
31371CVE6	5,343.27	FNMA PO(248213	7.500	07/01/2023	5,371.75	101.14	5,404.08	32.33	0.00%	2.77	2.04	2.27	Aaa	AA+
31371EU52	2,539.63	FNMA PO(250004	6.500	04/01/2024	2,452.23	113.14	2,873.26	421.03	0.00%	2.77	2.33	2.49	Aaa	AA+
31372CBQ0	3,320.48	FNMA PO(268347	6.500	01/01/2024	3,206.51	113.14	3,756.69	550.18	0.00%	2.77	2.29	2.55	Aaa	AA+
31372F3H2	2,745.05	FNMA PO(271800	6.500	02/01/2024	2,650.61	113.14	3,105.67	455.06	0.00%	2.77	2.29	2.45	Aaa	AA+
31372F6A4	4,822.83	FNMA PO(271865	6.500	02/01/2024	4,656.92	113.14	5,456.41	799.49	0.00%	2.77	2.16	2.34	Aaa	AA+
31372PY78	1,866.41	FNMA PO(278934	6.500	04/01/2024	1,802.18	113.14	2,111.60	309.42	0.00%	2.77	2.33	2.61	Aaa	AA+
3137A2B26	3,010,000.00	FHMS K009 A2 3.81	3.808	08/25/2020	3,252,916.42	105.88	3,187,004.56	(65,911.86)	1.00%	2.02	3.29	3.54	Aaa	AA+
3137A63Z3	1,566,161.32	FHLMC 3792 DF FLT	1.104	11/15/2040	1,572,707.39	99.90	1,564,586.39	(8,121.00)	0.49%	1.23	0.10	1.33	Aaa	AA+
3137A8PP7	2,970,000.00	FHMS K012 A2 4.18	4.186	12/25/2020	3,289,275.00	107.62	3,196,188.67	(93,086.33)	1.00%	2.16	3.58	4.05	Aaa	AA+
3137B1BS0	10,000,000.00	FHMS K026 A2 2.51	2.510	11/25/2022	10,199,890.00	100.37	10,037,443.00	(162,447.00)	3.13%	2.42	5.33	5.79	Aaa	AA+
3137B1UG5	6,000,000.00	FHLMC REMIC SERIES	2.637	01/25/2023	6,119,976.00	101.01	6,060,453.00	(59,523.00)	1.89%	2.43	5.42	5.92	Aaa	AA+
3137BLMZ8	8,100,000.00	FHMS K049 A2 3.01	3.010	08/25/2025	8,342,781.30	101.19	8,196,684.03	(146,097.27)	2.56%	2.81	7.38	8.46	Aaa	AA+
3137EADB2	8,095,000.00	FHLMC 2.375 1/13/2	2.375	01/13/2022	8,129,447.03	101.64	8,227,838.95	98,391.92	2.57%	2.03	4.68	5.04	Aaa	AA+
31392JGM5	248,354.18	FED NATL MTG ASSN	3.500	03/25/2033	243,951.93	102.01	253,337.28	9,385.35	0.08%	2.34	2.64	2.84	Aaa	AA+
31393CTT0	25,277.25	FED NATL MTG ASSN	3.750	05/25/2033	25,277.25	101.24	25,590.84	313.59	0.01%	1.54	0.78	0.79	Aaa	AA+
31394AWY8	384,272.26	FNMA 2004-60 LB 5.	5.000	04/25/2034	414,533.70	105.96	407,160.36	(7,373.34)	0.13%	1.84	1.94	2.05	Aaa	AA+
31394EDP0	202,013.49	FNMA 2005-58 MA 5.	5.500	07/25/2035	222,214.84	110.24	222,702.66	487.82	0.07%	2.09	2.91	3.12	Aaa	AA+
31396CSM3	18,830.27	FHLMC REMIC SERIES	5.500	03/15/2035	20,030.70	102.65	19,328.63	(702.07)	0.01%	1.29	0.67	0.68	Aaa	AA+
31398F2N0	789,946.56	FNMA 2009-M1 A2 4.	4.287	07/25/2019	800,561.47	104.76	827,562.79	27,001.32	0.26%	2.06	2.14	2.26	Aaa	AA+
31398MC46	1,476,584.29	FNMA 2010-M1 A2 4.	4.450	09/25/2019	1,516,959.64	105.95	1,564,454.20	47,494.56	0.49%	1.95	2.41	2.56	Aaa	AA+
31398QHB6	2,250,000.00	FHMS K007 A2 4.224	4.224	03/25/2020	2,374,277.33	106.58	2,397,970.12	23,692.79	0.75%	1.95	2.89	3.10	Aaa	AA+
31398VA97	65,053.55	FHLMC 3649 EB 2.0	2.000	12/15/2018	66,070.01	100.27	65,226.23	(843.78)	0.02%	1.46	0.60	0.61	Aaa	AA+
31402DC73	206,891.23	FNMA #725594 5.5 7	5.500	07/01/2034	226,368.10	112.22	232,162.99	5,794.89	0.07%	2.70	3.95	4.44	Aaa	AA+
31402RF95	263,147.71	FNMA PO(735592	5.000	05/01/2034	256,157.85	109.76	288,833.56	32,675.71	0.09%	2.97	4.08	4.62	Aaa	AA+
31410GBT9	1,409,837.64	FNMA #888450 5.5 8	5.500	08/01/2035	1,554,566.29	112.14	1,581,034.22	26,467.93	0.49%	2.70	3.84	4.28	Aaa	AA+

FMIvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest		Maturity	Market			% of Total			from Investment Manager				
			Rate	Date		Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's RATING	S&P RATING	
31412QY60	958,410.66	FNMA PA(932333	4.000	01/01/2025		975,182.85	106.66	1,022,288.73	47,105.88	0.32%	2.10	2.70	2.88	Aaa	AA+	
31416M6U3	58,340.14	FNMA #A(AA4482	4.000	04/01/2039		60,965.44	105.76	61,702.28	736.84	0.02%	3.10	4.71	5.45	Aaa	AA+	
31418AJM1	1,055,005.07	FNMA #M(MA1167	2.500	09/01/2027		1,097,370.12	100.31	1,058,233.39	(39,136.73)	0.33%	2.30	3.90	4.23	Aaa	AA+	
31419AGK7	155,421.97	FNMA #AE0201 5.5 8	5.500	08/01/2037		170,769.89	112.17	174,335.27	3,565.38	0.05%	2.70	3.94	4.43	Aaa	AA+	
34528QBP8	2,900,000.00	FORDF 12-2 A 1.92	1.920	01/15/2019		2,899,150.01	100.03	2,900,770.24	1,620.23	0.91%	1.25	0.10	0.10	Aaa	AAA	
36159JDH1	5,600,000.00	GEMNT 12-6 A 1.36	1.360	08/17/2020		5,597,823.84	100.06	5,603,123.68	5,299.84	1.75%	1.29	0.60	0.61	NR	AAA	
36203E7B8	2,559.53	GNMA PO(347490X	7.000	09/15/2023		2,531.64	106.86	2,735.14	203.50	0.00%	2.77	2.25	2.42	Aaa	AA+	
36203LRW4	1,187.79	GNMA PO(352501X	7.000	09/15/2023		1,174.84	107.00	1,270.89	96.05	0.00%	2.77	2.17	2.33	Aaa	AA+	
36203R4F3	319.14	GNMA PO(357322X	7.000	09/15/2023		315.66	106.08	338.54	22.88	0.00%	2.77	2.11	2.27	Aaa	AA+	
36203XWY8	1,177.20	GNMA PO(362563X	7.000	08/15/2023		1,164.37	103.27	1,215.69	51.32	0.00%	2.77	2.08	2.28	Aaa	AA+	
36204D4S5	6,034.88	GNMA PO(367233X	7.000	09/15/2023		5,969.12	107.11	6,463.72	494.60	0.00%	2.77	2.18	2.34	Aaa	AA+	
36205Y3Y6	8,246.90	GNMA PO(405015X	9.000	03/15/2025		8,833.63	100.46	8,285.17	(548.46)	0.00%	2.77	2.75	3.36	Aaa	AA+	
36206CHJ1	797.43	GNMA PO(407133X	9.000	01/15/2025		850.47	101.11	806.28	(44.19)	0.00%	2.77	2.62	3.15	Aaa	AA+	
36206FHJ4	35,053.99	GNMA PO(409833X	9.000	04/15/2025		36,875.02	103.40	36,244.07	(630.95)	0.01%	2.77	2.69	3.16	Aaa	AA+	
36224QVE3	4,936.39	GNMA PO(335513X	7.000	12/15/2022		4,882.61	106.28	5,246.25	363.64	0.00%	2.77	2.00	2.16	Aaa	AA+	
36251LAB9	5,554,260.03	GMALT 16-2 A2A 1.2	1.280	10/22/2018		5,553,761.26	99.97	5,552,817.59	(943.67)	1.73%	1.35	0.75	0.76	NR	AAA	
44890UAD6	1,700,000.00	HART 2014-B A4 1.4	1.460	11/15/2019		1,707,238.28	100.13	1,702,145.57	(5,092.71)	0.53%	1.37	0.97	0.98	NR	AAA	
46625HJG6	2,000,000.00	JPMORGAN CHASE & C	1.800	01/25/2018		1,998,660.00	100.11	2,002,220.00	3,560.00	0.63%	1.69	1.04	1.07	A3	A-	
80283FAF3	3,200,000.00	SDART 2013-1 D 2.2	2.270	01/15/2019		3,212,375.01	100.39	3,212,639.68	264.67	1.00%	1.61	0.57	0.58	NR	AAA	
80283NAF6	3,605,820.83	SDART 2014-1 C 2.3	2.360	04/15/2020		3,630,047.44	100.42	3,621,063.36	(8,984.08)	1.13%	1.15	0.35	0.35	NR	AAA	
80283XAF4	2,700,000.00	SDART 2014-3 C 2.1	2.130	08/17/2020		2,713,851.58	100.37	2,709,880.65	(3,970.93)	0.85%	1.42	0.50	0.50	Aaa	AAA	
80284AAE6	440,338.97	SDART 2014-5 B 1.7	1.760	09/16/2019		441,302.21	100.12	440,847.61	(454.60)	0.14%	1.34	0.27	0.27	Aaa	N.R.	
80284CAD4	335,116.97	SDART 2015-1 A3 1.	1.270	02/15/2019		335,326.42	100.00	335,115.29	(211.13)	0.10%	1.31	0.10	0.10	NR	AAA	
80284LAE2	2,915,000.00	SDART 2015-3 B 2.0	2.070	04/15/2020		2,932,763.28	100.35	2,925,203.96	(7,559.32)	0.91%	1.65	0.77	0.78	Aaa	N.R.	
80285EAB3	2,579,893.31	SDART 2016-1 A2A 1	1.410	07/15/2019		2,584,125.96	100.07	2,581,667.50	(2,458.46)	0.81%	1.19	0.29	0.30	Aaa	N.R.	
89231MAC9	510,150.60	TOYOTA AUTO 14-A	0.670	12/15/2017		509,233.93	99.96	509,927.66	693.73	0.16%	1.24	0.10	0.10	Aaa	AAA	
912796KX6	9,250,000.00	US TREASURY BILL 1	0.000	11/09/2017		9,195,326.33	99.41	9,195,326.33	0.00	2.87%	0.80	0.86	0.86	Aaa	AA+	
912828B5	500,000.00	US TREASURY 0.75 8	0.750	08/15/2019		498,361.05	98.46	492,305.00	(6,056.05)	0.15%	1.35	2.58	2.62	Aaa	AA+	
912828A42	5,000,000.00	US TREASURY 2.0 11	2.000	11/30/2020		5,058,219.85	101.04	5,051,750.00	(6,469.85)	1.58%	1.73	3.75	3.92	Aaa	AA+	
912828B66	13,850,000.00	US TREASURY 2.75 2	2.750	02/15/2024		13,891,901.12	103.28	14,304,418.50	412,517.38	4.47%	2.25	6.40	7.13	Aaa	AA+	
912828K74	1,450,000.00	US TREASURY 2.0 8/	2.000	08/15/2025		1,437,035.10	96.87	1,404,571.50	(32,463.60)	0.44%	2.40	7.80	8.62	Aaa	AA+	
912828P46	3,000,000.00	US TREASURY 1.625	1.625	02/15/2026		2,944,347.94	93.44	2,803,140.00	(141,207.94)	0.88%	2.43	8.34	9.13	Aaa	AA+	
912828Q52	3,000,000.00	US TREASURY 0.875	0.875	04/15/2019		2,995,088.18	99.10	2,973,060.00	(22,028.18)	0.93%	1.27	2.25	2.29	Aaa	AA+	
912828Q78	13,000,000.00	US TREASURY 1.375	1.375	04/30/2021		13,051,840.36	98.10	12,752,740.00	(299,100.36)	3.98%	1.83	4.17	4.33	Aaa	AA+	
912828Q94	3,000,000.00	US TREASURY 0.75 4	0.750	04/30/2018		2,998,369.44	99.67	2,990,160.00	(8,209.44)	0.93%	1.00	1.32	1.33	Aaa	AA+	
912828R28	3,000,000.00	US TREASURY 1.625	1.625	04/30/2023		3,002,472.94	96.72	2,901,570.00	(100,902.94)	0.91%	2.18	5.95	6.33	Aaa	AA+	
912828S92	20,200,000.00	US TREASURY 1.25 7	1.250	07/31/2023		19,145,783.93	94.14	19,016,482.00	(129,301.93)	5.94%	2.21	6.23	6.58	Aaa	AA+	
912828T67	4,500,000.00	US TREASURY 1.25 1	1.250	10/31/2021		4,407,729.92	96.97	4,363,605.00	(44,124.92)	1.36%	1.91	4.65	4.83	Aaa	AA+	
912828TS9	1,100,000.00	US TREASURY 0.625	0.625	09/30/2017		1,071,024.93	99.86	1,098,449.00	27,424.07	0.34%	0.81	0.74	0.75	Aaa	AA+	

Investment Portfolio Overview										from Investment Manager						
Asset ID	Units	Asset Description	Interest	Maturity	Market			Unrealized		% of Total		Moody's			S&P	
					Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	RATING	RATING		
912828TY6	300,000.00	US TREASURY 1.625	1.625	11/15/2022	294,212.14	97.32	291,960.00	(2,252.14)	0.09%	2.11	5.55	5.87	Aaa	AA+		
912828U24	5,500,000.00	US TREASURY 2.0 11	2.000	11/15/2026	5,256,442.91	96.22	5,291,825.00	35,382.09	1.65%	2.43	8.86	9.87	Aaa	AA+		
912828U57	11,450,000.00	US TREASURY 2.125	2.125	11/30/2023	11,320,215.75	99.34	11,373,972.00	53,756.25	3.55%	2.23	6.38	6.92	Aaa	AA+		
912828U65	12,430,000.00	US TREASURY 1.75 1	1.750	11/30/2021	12,304,188.92	99.25	12,337,272.20	33,083.28	3.85%	1.91	4.68	4.92	Aaa	AA+		
912828VE7	13,000,000.00	US TREASURY 1.0 5/	1.000	05/31/2018	12,748,402.93	99.96	12,994,930.00	246,527.07	4.06%	1.03	1.40	1.41	Aaa	AA+		
912828VP2	1,700,000.00	US TREASURY 2.0 7/	2.000	07/31/2020	1,699,077.11	101.29	1,721,981.00	22,903.89	0.54%	1.63	3.42	3.58	Aaa	AA+		
912828WD8	2,000,000.00	US TREASURY 1.25 1	1.250	10/31/2018	1,991,100.44	100.16	2,003,200.00	12,099.56	0.63%	1.16	1.80	1.83	Aaa	AA+		
912828XB1	16,800,000.00	US TREASURY 2.125	2.125	05/15/2025	16,551,942.22	98.03	16,469,208.00	(82,734.22)	5.14%	2.39	7.60	8.37	Aaa	AA+		
92867RAC3	2,245,772.75	VALET 2014-1 A3 0.	0.910	10/22/2018	2,239,143.90	99.87	2,242,839.32	3,695.42	0.70%	1.27	0.44	0.44	Aaa	N.R.		
981464DB3	3,500,000.00	WFNMT 2012-B A 1.7	1.760	05/17/2021	3,518,183.59	100.22	3,507,638.75	(10,544.84)	1.10%	1.23	0.52	0.53	NR	AAA		
981464FJ4	2,525,000.00	WFNMT 2016-A A 2.0	2.03	4/15/2025	2,524,252.85	97.94	2,473,038.02	(51,214.83)	0.77%	2.65	4.19	4.44	NR	AAA		
98160VAE1	6,125,000.00	WOLS 2015-A A4 1.7	1.73	12/15/2020	6,124,731.73	100.33	6,145,144.51	20,412.78	1.92%	1.49	1.16	1.18	Aaa	N.R.		
319,802,776.95					320,100,253.32		319,537,953.18	(562,300.14)	99.77%	1.91	3.74	4.08				
VP4560000	727,437.83	WF ADV GOVT MM FD-INSTL #1751			727,437.83	1.00	727,437.83	0.00	0.23%	0.01	-	-	Aaa-mf	AAAM		
320,530,214.78					320,827,691.15		320,265,391.01	(562,300.14)	100.00%	1.90	3.73	4.08				



Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH SHORT TERM PORTFOLIO - 68904245

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper												
BANK OF MONTREAL CHICAGO COMM PAPER		06366GSC4	5,500,000.00	A-1	P-1	08/17/16	08/18/16	5,449,478.79	1.25	0.00	5,475,212.44	5,476,328.00
--	0.000%	05/12/2017										
Security Type Sub-Total			5,500,000.00					5,449,478.79	1.25	0.00	5,475,212.44	5,476,328.00
Managed Account Sub-Total			5,500,000.00					5,449,478.79	1.25	0.00	5,475,212.44	5,476,328.00
Securities Sub-Total			\$5,500,000.00					\$5,449,478.79	1.25%	\$0.00	\$5,475,212.44	\$5,476,328.00
Accrued Interest												\$0.00
Total Investments												\$5,476,328.00



Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note												
US TREASURY NOTES	DTD 10/31/2012 0.750% 10/31/2017	912828TW0	260,000.00	AA+	Aaa	11/01/12	11/05/12	260,192.97	0.73	333.98	260,032.56	259,766.52
US TREASURY NOTES	DTD 11/30/2012 0.625% 11/30/2017	912828UA6	465,000.00	AA+	Aaa	05/06/14	05/09/14	456,026.95	1.18	255.49	462,666.08	463,910.04
US TREASURY NOTES	DTD 12/31/2012 0.750% 12/31/2017	912828UE8	800,000.00	AA+	Aaa	12/05/14	12/09/14	790,593.75	1.14	16.57	796,898.58	798,687.20
US TREASURY NOTES	DTD 04/30/2013 0.625% 04/30/2018	912828UZ1	165,000.00	AA+	Aaa	05/10/13	05/15/13	163,498.24	0.81	176.62	164,591.78	164,194.31
US TREASURY NOTES	DTD 01/31/2014 1.500% 01/31/2019	912828B33	95,000.00	AA+	Aaa	07/29/14	07/31/14	94,558.40	1.61	596.33	94,791.80	95,515.85
US TREASURY NOTES	DTD 06/02/2014 1.500% 05/31/2019	912828WL0	390,000.00	AA+	Aaa	11/10/16	11/14/16	394,265.63	1.06	514.29	394,047.98	391,797.51
US TREASURY NOTES	DTD 11/30/2012 1.000% 11/30/2019	912828UB4	240,000.00	AA+	Aaa	05/28/15	05/29/15	235,368.75	1.44	210.99	236,972.73	237,112.56
US TREASURY NOTES	DTD 02/28/2013 1.250% 02/29/2020	912828UO1	640,000.00	AA+	Aaa	09/01/15	09/03/15	634,125.00	1.46	2,718.23	635,827.36	634,899.84
US TREASURY NOTES	DTD 03/31/2015 1.375% 03/31/2020	912828J84	100,000.00	AA+	Aaa	06/22/16	06/27/16	101,226.56	1.04	351.30	101,061.62	99,476.60
US TREASURY NOTES	DTD 03/31/2015 1.375% 03/31/2020	912828J84	100,000.00	AA+	Aaa	06/22/16	06/27/16	101,273.44	1.03	351.30	101,102.14	99,476.60
US TREASURY NOTES	DTD 03/31/2015 1.375% 03/31/2020	912828J84	249,000.00	AA+	Aaa	06/23/16	06/28/16	251,830.43	1.07	874.75	251,451.80	247,696.73
US TREASURY NOTES	DTD 07/31/2013 2.000% 07/31/2020	912828VP2	300,000.00	AA+	Aaa	02/01/16	02/03/16	309,082.03	1.30	2,510.87	307,283.86	303,879.00
US TREASURY NOTES	DTD 07/31/2013 2.000% 07/31/2020	912828VP2	600,000.00	AA+	Aaa	12/28/15	12/30/15	607,570.31	1.71	5,021.74	605,963.67	607,758.00
US TREASURY NOTES	DTD 07/31/2013 2.000% 07/31/2020	912828VP2	620,000.00	AA+	Aaa	12/01/15	12/04/15	631,576.56	1.58	5,189.13	628,980.35	628,016.60





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTE	DTD 12/02/2013 2.000% 11/30/2020	912828A42	AA+	Aaa	05/03/16	05/06/16	279,355.08	1.22	474.73	278,043.35	272,795.04
US TREASURY NOTE	DTD 12/02/2013 2.000% 11/30/2020	912828A42	AA+	Aaa	03/02/16	03/04/16	380,536.33	1.38	650.55	378,746.37	373,830.24
US TREASURY NOTES	DTD 03/31/2016 1.250% 03/31/2021	912828O37	AA+	Aaa	07/06/16	07/08/16	35,497.66	0.94	111.78	35,447.72	34,191.99
US TREASURY NOTES	DTD 03/31/2016 1.250% 03/31/2021	912828O37	AA+	Aaa	09/01/16	09/02/16	375,541.99	1.22	1,197.63	375,504.49	366,342.75
US TREASURY NOTES	DTD 03/31/2014 2.250% 03/31/2021	912828C57	AA+	Aaa	10/03/16	10/05/16	434,615.23	1.17	2,385.68	433,582.76	422,505.69
US TREASURY N/B	DTD 07/31/2014 2.250% 07/31/2021	912828WY2	AA+	Aaa	11/22/16	11/23/16	500,412.50	1.78	4,613.72	500,189.43	497,675.36
US TREASURY NOTES	DTD 09/02/2014 2.000% 08/31/2021	912828D72	AA+	Aaa	12/01/16	12/05/16	726,925.78	1.94	4,926.80	726,899.38	727,888.40
Security Type Sub-Total					7,704,000.00	7,764,073.59	1.38	33,482.48	7,770,085.81	7,727,416.83	
Municipal Bond / Note											
NYC, NY TXBL GO BONDS	DTD 03/31/2015 1.650% 10/01/2018	64966LZC8	AA	Aa2	03/13/15	03/31/15	265,000.00	1.65	1,093.13	265,000.00	265,731.40
NYC, NY TXBL GO BONDS	DTD 06/18/2015 1.800% 06/01/2019	64966LN49	AA	Aa2	06/03/15	06/18/15	180,000.00	1.80	270.00	180,000.00	180,563.40
Security Type Sub-Total					445,000.00	445,000.00	1.71	1,363.13	445,000.00	446,294.80	
Federal Agency Bond / Note											
FREDDIE MAC GLOBAL NOTES	DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	AA+	Aaa	07/30/12	07/31/12	181,416.60	0.84	765.00	180,166.18	180,279.72
FNMA NOTES	DTD 08/25/2014 1.000% 09/27/2017	3135G0ZL0	AA+	Aaa	08/21/14	08/25/14	229,178.90	1.12	600.56	229,800.99	230,215.05





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note												
FANNIE MAE GLOBAL NOTES	DTD 09/24/2012 0.875% 10/26/2017	3135G0P00	500,000.00	AA+	Aaa	11/27/13	12/03/13	496,175.00	1.08	789.93	499,182.92	500,070.00
FREDDIE MAC GLOBAL NOTES	DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	170,000.00	AA+	Aaa	03/20/13	03/21/13	169,369.30	0.95	471.04	169,846.92	169,779.51
FREDDIE MAC GLOBAL NOTES	DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	425,000.00	AA+	Aaa	03/27/13	04/01/13	424,443.25	0.90	1,177.60	424,864.34	424,448.78
FANNIE MAE GLOBAL NOTES	DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	485,000.00	AA+	Aaa	05/22/13	05/28/13	480,732.00	1.06	471.53	483,787.46	483,642.97
FNMA NOTES	DTD 06/08/2015 1.125% 07/20/2018	3135G0E33	320,000.00	AA+	Aaa	05/06/16	05/09/16	322,252.80	0.80	1,610.00	321,596.66	320,005.12
FHLB NOTES	DTD 07/08/2016 0.625% 08/07/2018	3130A8PK3	500,000.00	AA+	Aaa	08/12/16	08/15/16	498,210.00	0.81	1,250.00	498,549.93	496,026.00
FHLB GLOBAL NOTE	DTD 08/26/2016 0.875% 10/01/2018	3130A9AE1	625,000.00	AA+	Aaa	08/25/16	08/26/16	624,575.00	0.91	1,367.19	624,644.06	621,560.63
FHLB GLOBAL NOTE	DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	470,000.00	AA+	Aaa	06/02/16	06/03/16	469,802.60	1.14	146.88	469,838.93	467,324.76
FHLB GLOBAL NOTE	DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	550,000.00	AA+	Aaa	08/03/16	08/04/16	548,944.00	0.94	1,965.10	549,085.94	542,215.85
FHLB GLOBAL NOTE	DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	600,000.00	AA+	Aaa	08/12/16	08/15/16	598,656.00	0.95	2,143.75	598,825.07	591,508.20
FNMA NOTES	DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	520,000.00	AA+	Aaa	08/31/16	09/02/16	519,188.80	1.05	1,718.89	519,277.26	514,223.32
FNMA BENCHMARK NOTE	DTD 05/16/2016 1.250% 05/06/2021	3135G0K69	475,000.00	AA+	Aaa	06/27/16	06/29/16	477,375.00	1.14	907.12	477,134.50	461,542.30
FNMA NOTES	DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	90,000.00	AA+	Aaa	08/17/16	08/19/16	89,692.11	1.32	412.50	89,714.04	86,982.30
FNMA NOTES	DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	310,000.00	AA+	Aaa	08/17/16	08/19/16	308,744.50	1.33	1,420.83	308,833.89	299,605.70





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total			6,450,000.00					6,438,755.86	1.00	17,217.92	6,445,149.09	6,389,430.21
Corporate Note												
BOEING COMPANY (FLOATING) NOTE DTD 10/31/2014 1.012% 10/30/2017		097023BF1	220,000.00	A	A2	10/28/14	10/31/14	220,000.00	0.36	388.92	220,000.00	219,809.04
AMERICAN HONDA FINANCE CORP NOTES DTD 02/23/2016 1.700% 02/22/2019		02665WBA8	100,000.00	A+	A1	02/18/16	02/23/16	99,980.00	1.71	609.17	99,985.59	99,590.40
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019		38141GVT8	40,000.00	BBB+	A3	04/20/16	04/25/16	39,888.80	2.10	146.67	39,913.54	39,841.12
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019		38141GVT8	240,000.00	BBB+	A3	04/21/16	04/26/16	239,846.40	2.02	880.00	239,880.55	239,046.72
NEW YORK UNIVERSITY CORPORATE NOTE DTD 04/16/2015 1.767% 07/01/2019		650119AF7	60,000.00	AA-	Aa3	04/10/15	04/16/15	60,000.00	1.77	530.10	60,000.00	59,772.96
AMERICAN HONDA FINANCE DTD 07/12/2016 1.200% 07/12/2019		02665WBE0	110,000.00	A+	A1	07/07/16	07/12/16	109,890.00	1.23	619.67	109,906.95	108,044.75
TOYOTA MOTOR CREDIT CORP NOTES DTD 07/18/2014 2.125% 07/18/2019		89236TBP9	450,000.00	AA-	Aa3	04/09/15	04/14/15	457,546.50	1.71	4,329.69	454,579.79	451,952.55
MICROSOFT CORP NOTES DTD 08/08/2016 1.100% 08/08/2019		594918BN3	130,000.00	AAA	Aaa	08/01/16	08/08/16	129,866.10	1.14	568.03	129,883.58	128,251.89
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019		084664CK5	50,000.00	AA	Aa2	08/08/16	08/15/16	49,951.50	1.33	245.56	49,957.51	49,392.80
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019		06406HCW7	450,000.00	A	A1	03/02/15	03/05/15	455,989.50	1.99	3,162.50	453,592.09	453,708.00
GENERAL ELECTRIC CAP CORP NOTES DTD 01/08/2010 5.500% 01/08/2020		36962G4J0	450,000.00	AA-	A1	09/03/15	09/09/15	508,977.00	2.30	11,893.75	491,743.92	493,063.20
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020		46625HKA7	350,000.00	A-	A3	10/02/15	10/06/15	348,670.00	2.34	3,456.25	349,043.12	349,176.10





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
WELLS FARGO & CO DTD 02/02/2015 2.150% 01/30/2020		949748GF1	A	A2	03/24/15	03/27/15	451,521.00	2.08	4,058.13	450,988.41	447,873.75
CISCO SYSTEMS INC CORP NOTES DTD 06/17/2015 2.450% 06/15/2020		17275RAX0	AA-	A1	06/15/15	06/18/15	401,048.00	2.39	435.56	400,738.49	404,035.20
AMERICAN EXPRESS CREDIT CORP NOTES DTD 05/05/2016 2.250% 05/05/2021		0258M0EB1	A-	A2	05/05/16	05/10/16	110,601.70	2.13	385.00	110,527.88	108,689.24
BRANCH BANKING & TRUST CORP NOTE DTD 05/10/2016 2.050% 05/10/2021		05531FAV5	A-	A2	05/11/16	05/16/16	89,881.20	2.08	261.38	89,895.58	88,330.41
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021		857477AV5	A	A1	05/19/16	05/24/16	49,811.00	2.03	113.75	49,832.93	48,996.05
Security Type Sub-Total			3,750,000.00		3,823,468.70		1.93		32,084.13		3,789,574.18
Managed Account Sub-Total			18,349,000.00		18,471,298.15		1.37		84,147.66		18,352,716.02
Securities Sub-Total			\$18,349,000.00		\$18,471,298.15		1.37%		\$84,147.66		\$18,352,716.02
Accrued Interest									\$84,147.66		\$84,147.66
Total Investments											\$18,436,863.68





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 2013 BOND FUND - 68904265

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES	912828TG5		AA+	Aaa	03/14/14	03/17/14	3,696,240.23	0.93	7,846.47	3,740,621.44	3,746,190.00
DTD 07/31/2012 0.500% 07/31/2017											
Security Type Sub-Total							3,696,240.23	0.93	7,846.47	3,740,621.44	3,746,190.00
Federal Agency Bond / Note											
FNMA NOTES	3135GQZB2		AA+	Aaa	03/14/14	03/17/14	3,738,562.50	0.85	5,546.88	3,748,867.13	3,751,458.75
DTD 03/10/2014 0.750% 04/20/2017											
FANNIE MAE GLOBAL NOTES	3135GQPO0		AA+	Aaa	03/14/14	03/17/14	2,481,325.00	1.09	3,949.65	2,495,697.43	2,500,350.00
DTD 09/24/2012 0.875% 10/26/2017											
Security Type Sub-Total							6,219,887.50	0.94	9,496.53	6,244,564.56	6,251,808.75
Commercial Paper											
BANK OF TOKYO MITSUBISHI UFJ COMM PAPER	06538BP31		A-1	P-1	08/05/16	08/05/16	5,966,330.00	1.12	0.00	5,993,895.00	5,995,686.00
-- 0.000% 02/03/2017											
JP MORGAN SECURITIES LLC COMM PAPER	46640PSC8		A-1	P-1	08/17/16	08/17/16	4,761,408.00	1.09	0.00	4,781,136.00	4,779,412.80
-- 0.000% 05/12/2017											
Security Type Sub-Total							10,727,738.00	1.10	0.00	10,775,031.00	10,775,098.80
Managed Account Sub-Total							20,643,865.73	1.03	17,343.00	20,760,217.00	20,773,097.55
Securities Sub-Total							\$20,643,865.73	1.03%	\$17,343.00	\$20,760,217.00	\$20,773,097.55
Accrued Interest											\$17,343.00
Total Investments											\$20,790,440.55



Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$24,223,757	100.0	Total Fund	0.8	1.3	1.3	6.9	6.9	1.1	1.5	6.4	5.8	2.7	Jul-07
		Target Index											
		Actual Index	1.3	1.2	1.2	7.6	7.6	2.0	2.1	5.9	5.7	3.0	Jul-07
		60% MSCI AC World Index/ 40% Blbg BC Global Aggregate Index	1.4	1.6	1.6	7.5	7.5	2.3	2.6	6.4	6.1	3.3	Jul-07
		55% Russell 3000 Index/ 15% MSCI EAFE Index/ 30% Blbg BC Global Aggregate Index	1.1	-2.2	-2.2	5.7	5.7	1.5	1.9	5.8	5.2	3.3	Jul-07
		Consumer Price Index	1.4	0.0	0.0	7.9	7.9	3.5	4.4	9.1	8.3	4.9	Jul-07
			0.0	0.0	0.0	2.1	2.1	1.4	1.2	1.4	1.6	1.6	Jul-07
\$13,777,678	56.9	Global Equity	1.7	2.3	2.3	8.3	8.3	2.2	3.6	11.4	9.1	3.3	Jul-07
\$9,108,296	37.6	Domestic Equity	1.8	4.8	4.8	13.4	13.4	5.9	7.5	13.9	11.8	4.9	Jul-07
		Russell 3000 Index	2.0	4.2	4.2	12.7	12.7	6.4	8.4	14.7	12.9	6.7	
\$6,433,219	26.6	Fidelity Total Market Index Fund Premium Class	2.0	4.2	4.2	12.7	12.7	6.4	8.4	14.6	12.9	6.7	Jul-07
		Wilshire 5000 Index	1.9	4.3	4.3	13.0	13.0	6.2	8.1	14.5	12.9	6.8	
\$1,259,825	5.2	FPA Crescent Fund	1.2	4.5	4.5	10.3	10.3	3.9	4.8	NA	NA	8.2	Apr-12
		S&P 500 Index	2.0	3.8	3.8	12.0	12.0	6.5	8.9	14.7	12.8	12.6	
		60% Russell 2500 / 40% Blbg BC Global Credit	1.4	2.2	2.2	12.9	12.9	4.7	4.9	10.1	9.9	8.6	
		HFRI Equity Hedge (Total) Index	0.8	1.3	1.3	5.5	5.5	2.2	2.1	5.5	4.1	4.3	
\$1,415,252	5.8	FMI Common Stock Fund	1.8	7.9	7.9	20.2	20.2	5.8	6.0	NA	NA	10.0	Apr-12
		Russell 2500 Index	1.9	6.1	6.1	17.6	17.6	6.9	6.9	14.5	13.6	12.4	
\$4,669,382	19.3	International Equity	1.4	-2.2	-2.2	-0.4	-0.4	-4.1	-2.8	7.3	4.6	0.6	Jul-07
		MSCI AC World ex USA (Net)	2.6	-1.3	-1.3	4.5	4.5	-0.7	-1.8	5.0	2.9	-0.2	
		MSCI EAFE (Net)	3.4	-0.7	-0.7	1.0	1.0	0.1	-1.6	6.5	3.8	-0.3	
\$2,593,246	10.7	Dodge & Cox International Stock Fund	2.4	3.4	3.4	8.3	8.3	-2.0	-1.3	8.0	5.0	1.0	Jul-07
		MSCI AC World ex USA (Net)	2.6	-1.3	-1.3	4.5	4.5	-0.7	-1.8	5.0	2.9	-0.2	
\$2,076,136	8.6	Artisan International Institutional Fund	0.0	-8.4	-8.4	-9.4	-9.4	-6.6	-4.7	6.4	NA	3.3	Jul-11
		MSCI EAFE (Net)	3.4	-0.7	-0.7	1.0	1.0	0.1	-1.6	6.5	3.8	2.5	

Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$2,098,241	8.7	Total Flexible Capital	0.8	1.6	1.6	0.9	0.9	-1.0	0.0	4.3	3.6	2.7	Jul-07
		HFRI Fund of Funds Composite Index	1.1	1.1	1.1	0.7	0.7	0.2	1.3	3.5	2.4	0.6	
\$2,098,241	8.7	Forester Offshore A2, Ltd.	0.7	1.2	1.2	-1.5	-1.5	-0.6	1.5	5.7	4.4	4.0	Jul-07
		HFRI FOF: Strategic Index	0.6	0.2	0.2	-0.1	-0.1	-0.3	0.8	3.7	2.4	0.4	
\$5,297,937	21.9	Total Fixed Income	0.2	-2.0	-2.0	1.7	1.7	1.2	1.8	1.8	2.6	2.9	Jul-07
		Fixed Income Composite Index	0.1	-2.1	-2.1	1.8	1.8	1.3	2.0	1.5	2.5	3.3	
\$2,950,948	12.2	Vanguard Total Bond Market Index Fund Adm	0.3	-3.2	-3.2	NA	NA	NA	NA	NA	NA	-3.2	Oct-16
		Bblg Barc U.S. Aggregate Float Adjusted	0.2	-3.1	-3.1	2.8	2.8	1.6	3.0	2.2	3.6	-3.1	
\$2,346,989	9.7	Vanguard Short Term US Treasury Admiral Fund	0.1	-0.6	-0.6	1.2	1.2	0.9	0.9	0.7	NA	0.7	Dec-11
		Bblg Barc U.S. Treasury: 1-5 Year	0.0	-1.2	-1.2	1.0	1.0	1.0	1.0	0.8	1.6	0.8	
\$2,884,951	11.9	Total Real Assets	-1.6	2.6	2.6	23.8	23.8	-1.6	-5.8	-3.4	0.4	-5.0	Jul-07
		Real Assets Composite Index	0.8	3.1	3.1	18.5	18.5	-1.0	-4.3	-1.9	1.6	-0.5	
\$786,873	3.2	Vanguard Short-Term Inflation Protected Securities Adm. Fund	0.3	-0.2	-0.2	2.7	2.7	1.3	NA	NA	NA	0.3	Mar-14
		Bloomberg Barclays U.S. Treasury: 0-5 Year TIPS	0.3	-0.3	-0.3	3.1	3.1	1.4	0.6	0.5	1.5	0.4	
\$505,971	2.1	Nuveen Gresham Diversified Commodities Fund	1.9	4.1	4.1	10.9	10.9	-9.2	NA	NA	NA	-9.2	Jan-15
		Bloomberg Commodity Index	1.8	2.7	2.7	11.7	11.7	-8.2	-11.3	-9.0	-6.3	-8.2	
\$1,592,107	6.6	Van Eck Global Hard Assets I Fund	-3.6	3.5	3.5	43.7	43.7	-2.0	-8.1	NA	NA	-3.8	Apr-12
		S&P North American Natural Res Sector Index (TR)	0.7	5.0	5.0	30.9	30.9	-0.4	-3.7	1.3	2.9	0.4	

Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$164,950	0.7	Total Liquid Capital	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	Jul-07
\$164,950	0.7	Government Stif 15	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	Jul-07
		Citigroup 3 Month T-Bill	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	

\$139,443 0.6 Archstone Holdback

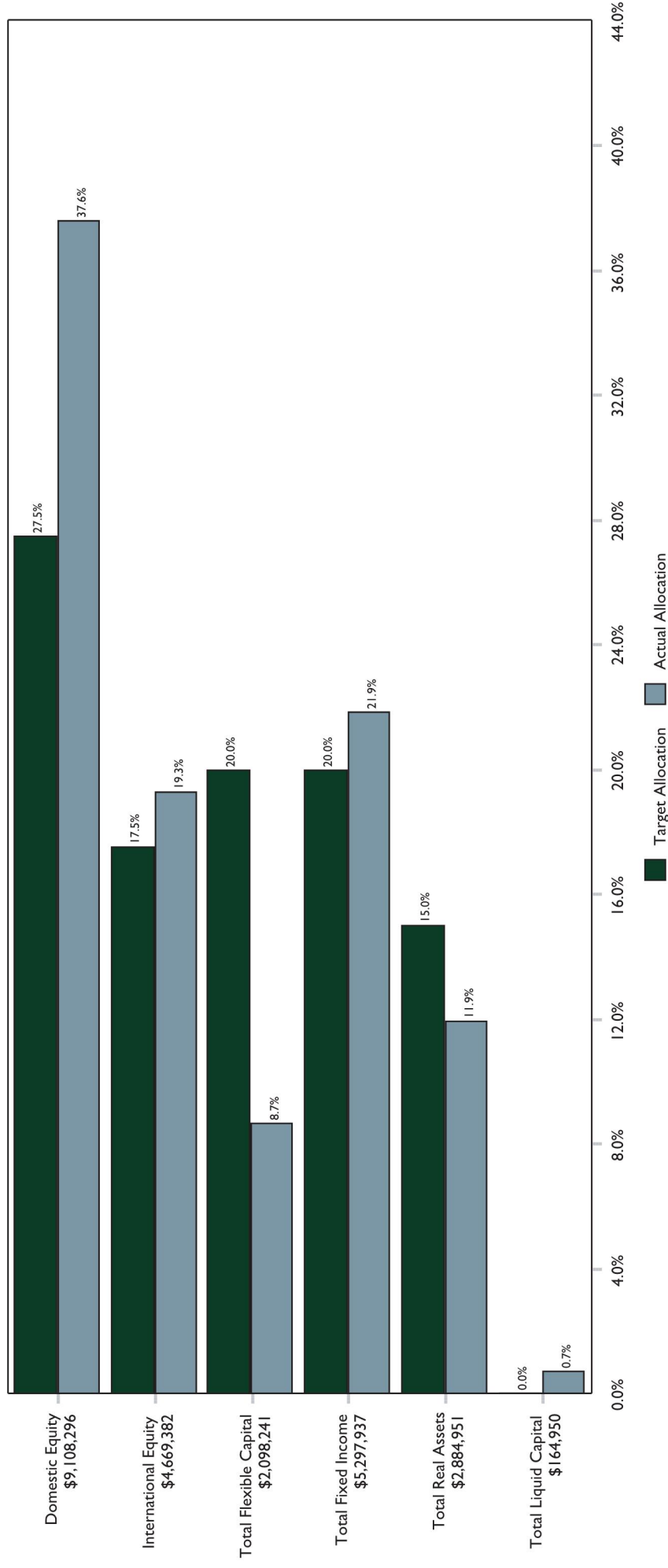
Please Note:

- Periods greater than one year are annualized
- Returns are net of investment management fees and gross of consulting fees unless otherwise stated
- Segment returns include performance of terminated managers unless otherwise stated
- Since inception returns are calculated from the first full month
- Actual Index calculated using manager allocations and index returns
- Performance and market values are subject to change based on statement availability from the investment manager/custodian
- Target Index (as of 9/01/2013): 27.5% Russell 3000 Index/ 17.5% MSCI ACWI ex USA/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Real Assets Composite Index
- Target Index (prior to 8/31/2011): 27.5% Russell 3000 Index/ 17.5% MSCI EAFE Net Index/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Real Assets Composite Index
- Target Index reflects the policy limitations regarding international constraints
- Real Assets Composite Index reflects manager allocations and index returns. Components have changed over time
- Fixed Income Composite Index (as of 12/01/2011): 50% Bloomberg Barclays U.S. Aggregate Index / 50% Bloomberg Barclays US Treasury: 1-5 Year Index
- Fixed Income Composite Index (prior to 11/30/2011): 50% Bloomberg Barclays Aggregate Index / 50% BOA Conv. Bond US Inv. Gr. Index
- Government Stif 15: Client specific cash performance not available. Citigroup Treasury Bill 3 Month Index is being reported
- Archstone Holdback is not included in total fund market value or performance; proceeds expected in June 2017
- Total Fund market value does not include Archstone redemption proceeds of \$2,788,857
- Forester Offshore A2, Ltd.: Market value estimated using preliminary manager reported performance

Asset Allocation - Current

As of December 31, 2016

	Asset Allocation (%)	Lower (%)	Target (%)	Upper (%)	Difference (%)
Total Fund	100.0	-	100.0	-	0.0
Domestic Equity	37.6	22.5	27.5	32.5	10.1
International Equity	19.3	15.0	17.5	20.0	1.8
Total Flexible Capital	8.7	15.0	20.0	25.0	-11.3
Total Fixed Income	21.9	15.0	20.0	25.0	1.9
Total Real Assets	11.9	10.0	15.0	20.0	-3.1
Total Liquid Capital	0.7	0.0	0.0	1.0	0.7



ORDINANCE NO. 05-2017

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, AMENDING SECTION 2-567. OF THE TOWN CODE OF ORDINANCES RELATING TO THE CREATION OF AN INVESTMENT ADVISORY COMMITTEE; AMENDING SUBSECTION (g) THEREOF SO AS TO INCLUDE IN THE DUTIES OF THE INVESTMENT ADVISORY COMMITTEE THE OBLIGATION TO ACT AS A CITIZEN OVERSIGHT COMMITTEE IN REGARD TO THE ONE-CENT SURTAX ENACTED BY LAW; TO REVIEW THE REVENUES AND EXPENDITURES OF SAID SURTAX PROCEEDS BY THE TOWN AND TO FILE AN ANNUAL REPORT TO THE TOWN IN REGARD TO THE COMMITTEE'S DUTIES AS A CITIZEN ADVISORY COMMITTEE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF ORDINANCES IN CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the voters of Palm Beach County, have, by referendum, adopted an ordinance of Palm Beach County creating a one-cent sales surtax, which sales surtax commences on January 1, 2017; and

WHEREAS, the county ordinance and the ballet language approved by the voters provides that municipal expenditures of the one-cent sales surtax shall be subject to independent oversight by a Citizens' Oversight Committee; and

WHEREAS, the Town has in operation, pursuant to the terms of Section 2-567 of the Town Code an Investment Advisory Committee; and

WHEREAS, it is determined by the Town Council that it is appropriate for the Investment Advisory Committee to also serve as the Citizen Oversight Committee for the purposes described in the county's ordinance relating to the one-cent sales surtax.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:



Town of Palm Beach Investment Advisory Committee

To: Mayor and Town Council

From: Dr. Michael Andrews, Chairman
Investment Advisory Committee

Date: February 3, 2017

Subject: Annual Report to Mayor and Town Council

On behalf of the Investment Advisory Committee, I am pleased to provide the following report on the current status of the investments and actions taken during the past year by the Investment Advisory Committee.

The Investment Advisory Committee is responsible for overseeing the investment of the Town's surplus funds and the OPEB trust investments.

Surplus Fund Investments

The Town's surplus funds are managed by PFM Asset Management and the Florida League of Cities Investment Trust. The blended return for the surplus investments including certificates of deposit for the year ending December 31, 2016 is 1.32%.

PFM Asset Management

The Town's total investment with PFM represents approximately 23.87% of the total core portfolio. A report is attached showing the details of the PFM portfolio as of December 31, 2016. PFM 1-5 Year Actively Managed Portfolio one year return as of December 31, 2016 is 1.28%.

The Committee allocated the bond proceeds from the 2013 Revenue Bonds to PFM for investment. As of December 31, 2016, approximately \$20.8 million is invested with PFM from the proceeds of the 2013 Revenue Bonds. The one year return as of December 31, 2016 is 0.82%.

Florida League of Cities Bond Funds

The Florida League of Cities Investment Trust (FMIvT) has 36.58% of the Town investments; a total of \$36.5 million. \$25 million is with the Florida League of Cities Investment Trust 1 – 3 year and \$11.5 million is in intermediate bond funds.

The FMIVT 1-3 year fund has returned .83% and the Intermediate fund returned 1.35% for the one year period ended December 31, 2016.

Certificate of Deposits

The Town has \$15.9 million in Certificate of Deposits representing 15.9% of the portfolio. The CD durations range from 6 months to 5 years, and the interest rates range from .75% to 1.86%.

Bond proceeds from the 2013 Revenue Bonds in the amount of approximately \$3 million are in an 18 month CD with an interest rate of 1.05%.

Short Term Investments

The Town has approximately \$15.5 million in the Florida Education Investment Trust Fund (FEITF) and \$8 million in a Bank United Money Market for a total of 23.7% of the portfolio. The one year return of FEITF as of December 31, 2016 is .63%.

Bond proceeds from the 2013 Revenue Bonds in the amount of approximately \$1.6 million have been invested with the FEITF.

Attached is the Monthly Investment report with return information through December 31, 2016.

Health Insurance (OPEB) Trust

The Committee oversees the investment of the assets of the Health Insurance (OPEB) Trust. The asset classes and policy target ranges for the Health Insurance Trust are shown below:

Return Enhancement	Asset Class		Target	Range	Benchmark
	Domestic Equity	<i>U.S. All Cap</i>	27.5	22.5-32.5	Russell 3000
	Non U.S. Equity	<i>International</i>	17.5	15-20*	MSCI AC World ex. US
	Alternative Strategies	<i>Directional Hedge</i>	10.0	7.5-10	HFRI FOF Strategic/
	* FL statutes limit investment in foreign securities (equity, fixed include, and other) to 25%. Unconstrained, the target allocation to equities would be 22.5% Domestic and 22.5% International				
Risk Reduction	Asset Class		Target	Range	Benchmark
	Alternative Strategies	<i>Absolute Return</i>	10.0	7.5-10	HFRI FOF Conservative
	Fixed Income	<i>Multi-Strategy</i>	10.0	7.5-10	Barclays Capital Aggregate
		<i>Convertibles</i>	10.0	7.5-10	BOA Conv. Bond US IG
	Real Assets	<i>Marketable Real Assets</i>	15.0	10-20	Custom Index

The market value of the portfolio as of December 31, 2016 was \$27,012,614. Prime Buchholz was the investment consultant for the OPEB Trust as of December 31, 2016. The IAC is in the process of hiring a new consultant. The current money managers and investment benchmarks for the trust are as follows:

Manager	Investment Benchmark
Fidelity Total Market Index	Wilshire 5000 Index
FMI Common Stock Fund	Russell 2500 Index
FPA Crescent Fund	S&P 500 Index
Artisan International Institutional Fund	MSCI EAFE Net Index
Dodge & Cox International Stock Fund	MSCI AC World ex USA Net Index
Forester Offshore, Ltd.	HFRI Fund-of-Funds Strategic Index
Vanguard Short Term US Treasury Fund	Barclays US Treasury: 1-5 Year
Vanguard Total Bond Market Index Fund	Barclays US Aggregate Float Adjusted
Nuveen Gresham Diversified Comm Fund	Bloomberg Commodity Index
Van Eck Global Hard Assets I Fund	S&P North American Natural Resources
Vanguard Short Term Inflation Protected Securities Fund	Bloomberg Barclays US Treasury 0-5 TIPS
Government STIF 15	Citigroup Treasury Bill 3 Month Index

Attached is a summary of the investments in the Health Insurance (OPEB) Trust and the quarterly returns as of December 31, 2016. For the one-year period ending December 31, 2016 the fund returned 6.9%. The fiscal year ended September 30, 2016 return was 7.2%.

General Information

The current members of the Investment Advisory Committee include:

Name:	Term Expires
Dr. Michael Andrews, Chairman	May 2017
Bernard R. Panfel	May 2018
Kevin McClusky	May 2017
Chris Storkerson	May 2017
Andrew Frazier	May 2018

During the past 12 months the committee has held 4 meetings and 2 selection committee meetings to select a new consultant.

The next meeting of the Committee is scheduled for Friday, February 17, 2017 at 2:30pm. The Florida League of Cities, and PFM Asset Management and will be in attendance to discuss the performance through December 31, 2016. The Health Fund Actuary will present the annual update to the OPEB Trust Actuarial Report. A 2017 meeting schedule is attached to this report.

Town of Palm Beach

Investment Portfolio Performance

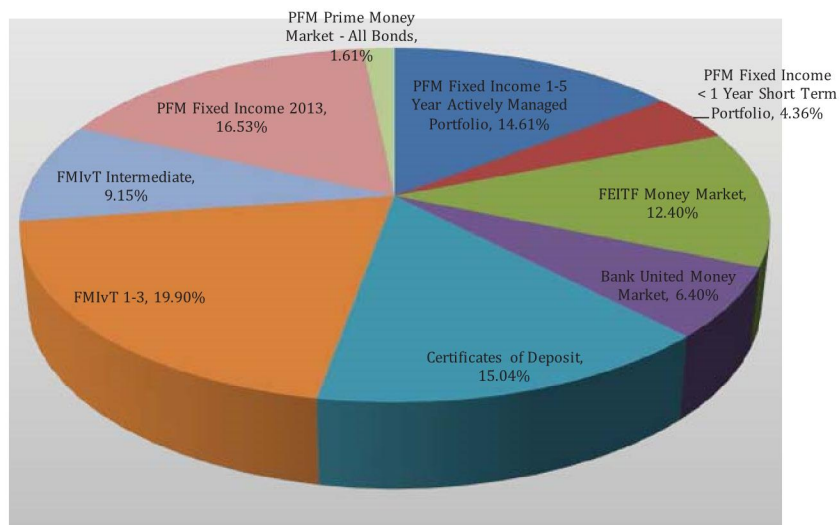


December 2016

Portfolio Return by Investment

Investment	December Balance	Return December-16	2017 Fiscal YTD (3 mo.)	2016 Fiscal YTD (3 mo.)	2016 Fiscal (12 mos.)
Core Investments					
PFM Fixed Income 1-5 Year Actively Managed Portfolio	\$ 18,352,716	\$ 12,695	\$ (183,918)	\$ (68,465)	\$ 331,633
PFM Fixed Income < 1 Year Short Term Portfolio	5,476,328	2,603	\$ 34,019	0	52,079
FEITF/TD Custody Money Market	15,577,850	3,607	\$ 7,832	8	11,842
Bank United Money Market	8,038,999	2,692	\$ 3,627	3,647	8,692
Certificates of Deposit	15,869,355	16,407	\$ 42,031	66,620	216,269
FMIvT 1-3	25,008,465	12,172	\$ (49,013)	(67,693)	192,410
FMIvT Intermediate	11,499,329	(1,179)	\$ (186,736)	(59,103)	287,266
Total Core Investments	\$ 99,823,042	\$ 48,997	\$ (332,158)	\$ (124,986)	\$ 1,100,191
Bond Funds					
Certificates of Deposit	\$ 3,028,459	\$ 2,662	\$ 7,938	-	\$ 54,145
PFM Fixed Income 2013	20,773,098	10,922	\$ 3,870	(77,526)	133,618
FEITF/TD Custody Money Market	2,020,268	960	\$ 2,831	529	8,904
Total Bond Funds	\$ 25,821,825	\$ 14,544	\$ 14,639	\$ (76,997)	\$ 196,667
Total	\$ 125,644,867	\$ 63,541	\$ (317,519)	\$ (201,983)	\$ 1,296,858

Investments by Type



Portfolio Total Return vs. Benchmark

Core Investments	Monthly December-16	2017 Fiscal YTD (3 mo.)	2016 Fiscal YTD (3 mo.)	1 Year	3 Years	5 Years
Long Term Core Investments Total Return Performance (Discretionary)						
PFM Fixed Income 1-5 Year Actively Managed Portfolio	0.07%	-0.97%	-0.46%	1.28%	1.18%	N/A
Merrill Lynch 1-5 Year U.S. Treasury/Agency Index	0.02%	-1.07%	-0.65%	1.09%	1.10%	N/A
Certificates of Deposit (a)	0.11%	0.37%	0.30%	1.25%	N/A	N/A
Merrill Lynch 1 Year Treasury Index	0.05%	0.08%	-0.17%	0.81%	N/A	N/A
FMIvT 1-3	0.06%	-0.18%	-0.24%	1.05%	0.75%	0.76%
BOA Merrill Lynch 1-3 Year Govt Index	0.03%	-0.43%	-0.43%	0.89%	0.69%	0.59%
FMIvT Intermediate	-0.04%	-1.60%	-0.49%	1.57%	2.22%	1.69%
Barclays Int G/C ex BAA+ABS+MBS	0.01%	-2.08%	-0.47%	1.57%	2.32%	1.77%
Town's Long Term Core Investments Total Return Performance	0.06%	-0.47%	-0.20%	1.32%	1.14%	0.94%
Total Return Blended Benchmark Performance (b)	0.03%	-0.69%	-0.43%	0.71%	0.91%	0.78%
(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 Dec -2016	Annualized Fiscal YTD (12 mo.)	Prior Fiscal YTD (12 mos.)	1 Year	3 Years	5 Years
PFM Fixed Income < 1 Year Short Term Portfolio Yield to Maturity at	1.25%	1.25%	N/A	N/A	N/A	N/A
Cost S&P GIP Government 30 Day Index (c)	0.72%	0.68%	N/A	N/A	N/A	N/A
(c) Short Term Benchmark changed to the Standard & Poor's LGIP30D represents Government Investment Pools Index.						

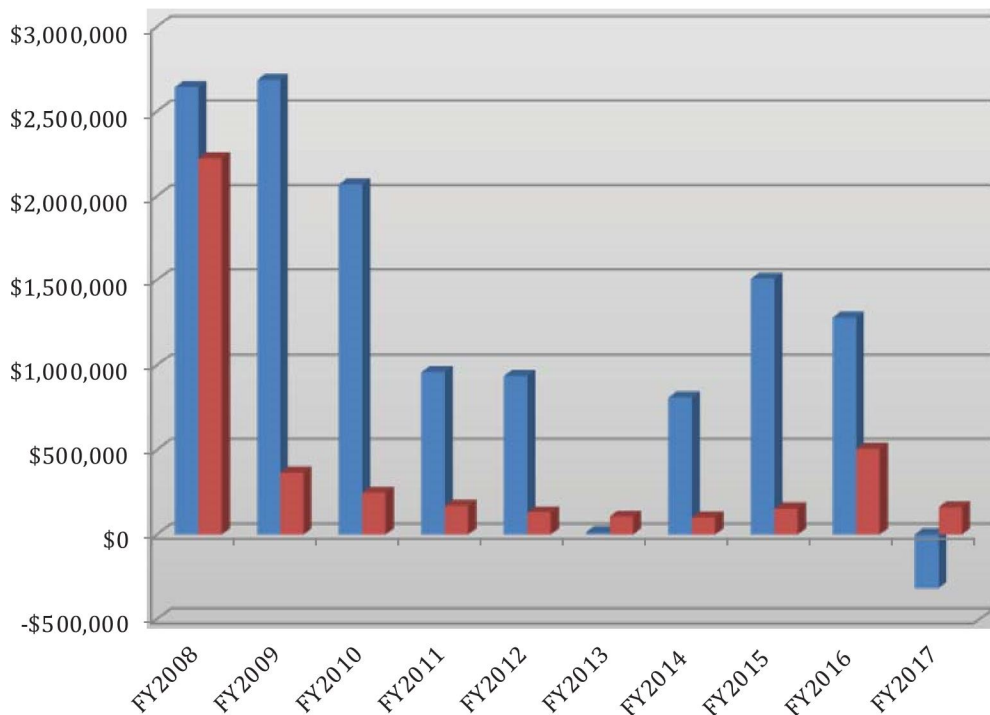
Bond Funds	Monthly December-16	2017 Fiscal YTD (3 mo.)	2016 Fiscal YTD (3 mo.)	1 Year	3 Years	5 Years
Bond Proceed Portfolios' Yield to Maturity at Cost Performance						
PFM Fixed Income 2013 - Yield to Maturity at Cost	1.03%	1.03%	0.63%	0.82%	N/A	N/A
Merrill Lynch 3 Month U.S. Treasury Bill Index - Yield to Maturity	0.43%	0.35%	0.06%	0.25%	N/A	N/A
Town's Bond Investments Yield to Maturity at Cost Performance	1.03%	1.03%	0.63%	0.82%	0.55%	
Blended Yield - ML 1 Year U.S. Treasury Index Benchmark	0.43%	0.16%	0.06%	0.25%	0.05%	

Money Market Fund Total Return Performance - As of 12/31/16						
Florida Education Investment Trust	0.73%	N/A	0.16%	0.63%	N/A	N/A
iMoneyNet Money Market Fund Index	0.46%	N/A	0.08%	0.27%	N/A	N/A

Total Investment Return History

Fiscal Year	Town's Total Return	Estimated Return - 6 Month TBill	Difference
FY2008	\$ 2,642,478	\$ 2,219,743	\$ 422,735
FY2009	2,683,901	363,524	2,320,377
FY2010	2,067,072	244,917	1,822,155
FY2011	957,872	169,447	788,425
FY2012	935,823	129,485	806,338
FY2013	11,870	103,463	(91,593)
FY2014	807,906	98,048	709,858
FY2015	1,506,923	153,068	1,353,855
FY2016	1,276,858	504,712	772,146
FY2017	(317,519)	159,801	(477,320)
Total	\$ 12,573,184	\$ 4,146,208	\$ 8,426,976

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

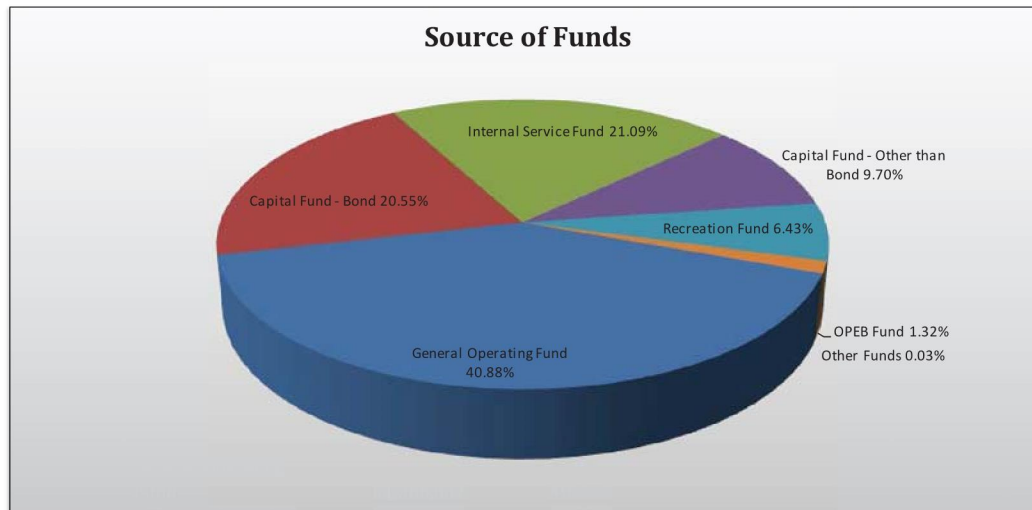


Town's FY2017 Monthly Investment Return vs. 6 Month Treasury Bill

Period	Investment Balance	Town's Monthly Total Return	6 Month T-Bill Rate	Estimated Return - 6 Month T-Bill	Difference
Oct-16	\$ 102,154,231	\$ (48,313)	0.51%	43,416	\$ (91,729)
Nov-16	99,618,063	(332,747)	0.62%	51,469	(384,216)
Dec-16	125,644,867	63,541	0.62%	64,917	(1,376)
Jan-17				-	-
Feb-17				-	-
Mar-17				-	-
Apr-17				-	-
May-17				-	-
Jun-17				-	-
Jul-17				-	-
Aug-17				-	-
Sep-17				-	-
Total		\$ (317,519)		\$ 159,801	\$ (477,320)

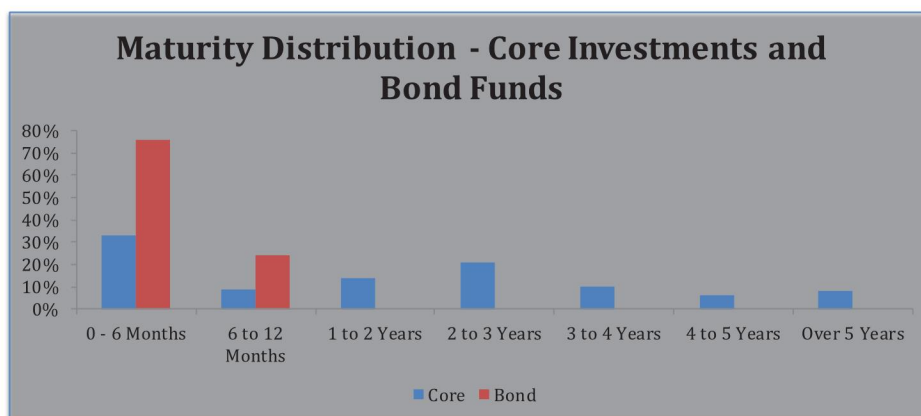
Portfolio Composition by Source of Funds

Investment	General Operating	Capital	Internal Service	Recreation	OPEB	Other Funds	Total
Non-Bond Funds							
PFM Fixed Income:							
1-5 Year	6,307,434	6,367,651	4,637,730	79,707	960,194	-	18,352,716
PFM Fixed Income:							
< One Year	5,476,328	-	-	-	-	-	5,476,328
Money Market	18,011,296	2,926,997	1,881,205	63,575	696,244	37,532	23,616,849
Certificates of Deposit	15,869,355	-	-	-	-	-	15,869,355
FMIvT Fixed Income:							
1-3 Year	3,907,491	1,983,871	13,683,572	5,433,531	-	-	25,008,465
FMIvT Fixed Income:							
Intermediate	1,796,733	912,218	6,291,945	2,498,433	-	-	11,499,329
Sub Total Non Bond Funds	51,368,637	12,190,737	26,494,452	8,075,246	1,656,438	37,532	99,823,042
Bond Funds							
PFM Fixed Income	-	20,773,098	-	-	-	-	20,773,098
Certificates of Deposit	-	3,028,459	-	-	-	-	3,028,459
Money Market	-	2,020,268	-	-	-	-	2,020,268
Sub Total Bond Funds	-	25,821,825	-	-	-	-	25,821,825
Total	51,368,637	38,012,562	26,494,452	8,075,246	1,656,438	37,532	125,644,867



Portfolio Distribution by Maturity

	PFM Investments	Money Market Accts.	FMIvT 1-3 Year	FMIvT Intermediate	Certificates of Deposit	Total
Core Investments						
0 - 6 Months	\$5,476,328	\$23,616,849	\$0	\$0	\$4,001,562	\$33,094,739
6 to 12 Months	2,651,966	-	373,823	388,797	4,001,828	8,671,884
1 to 2 Years	2,945,611	-	9,992,049	1,236,293	-	14,173,953
2 to 3 Years	4,650,578	-	7,023,885	1,514,663	7,865,965	21,055,091
3 to 4 Years	4,962,574	-	3,548,530	1,522,527	-	10,033,632
4 to 5 Years	3,141,985	-	1,570,242	1,310,266	-	6,022,493
Over 5 Years	-	-	2,499,935	5,526,783	-	8,026,719
Total Core Investments	\$23,829,044	\$23,616,849	\$25,008,465	\$11,499,329	\$15,869,355	\$99,823,042
Bond Funds						
0 - 6 Months	\$14,526,627	\$2,020,268	\$0	\$0	\$3,028,459	\$19,575,354
6 to 12 Months	6,246,471	-	-	-	-	6,246,471
1 to 2 Years	-	-	-	-	-	-
2 to 3 Years	-	-	-	-	-	-
3 to 4 Years	-	-	-	-	-	-
4 to 5 Years	-	-	-	-	-	-
Over 5 Years	-	-	-	-	-	-
Total Bond Funds	\$20,773,098	\$2,020,268	\$0	\$0	\$3,028,459	\$25,821,825



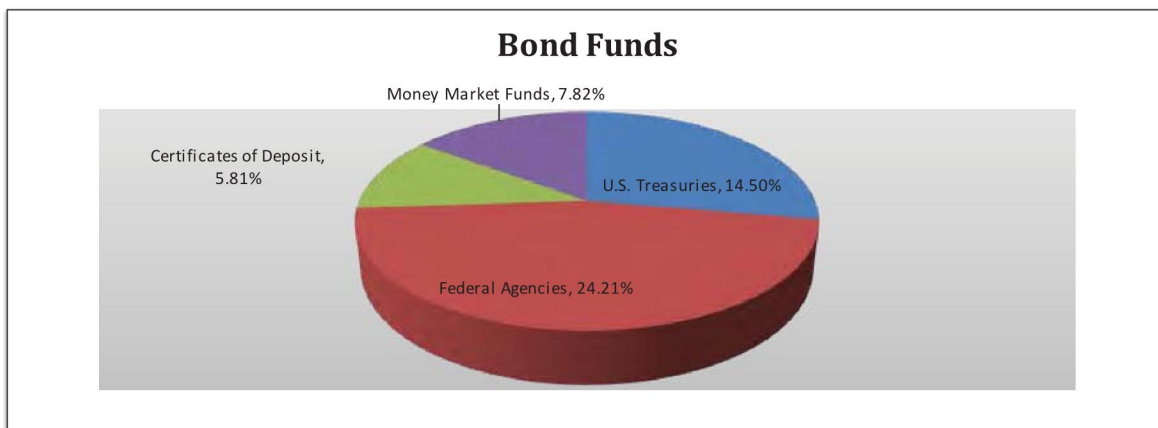
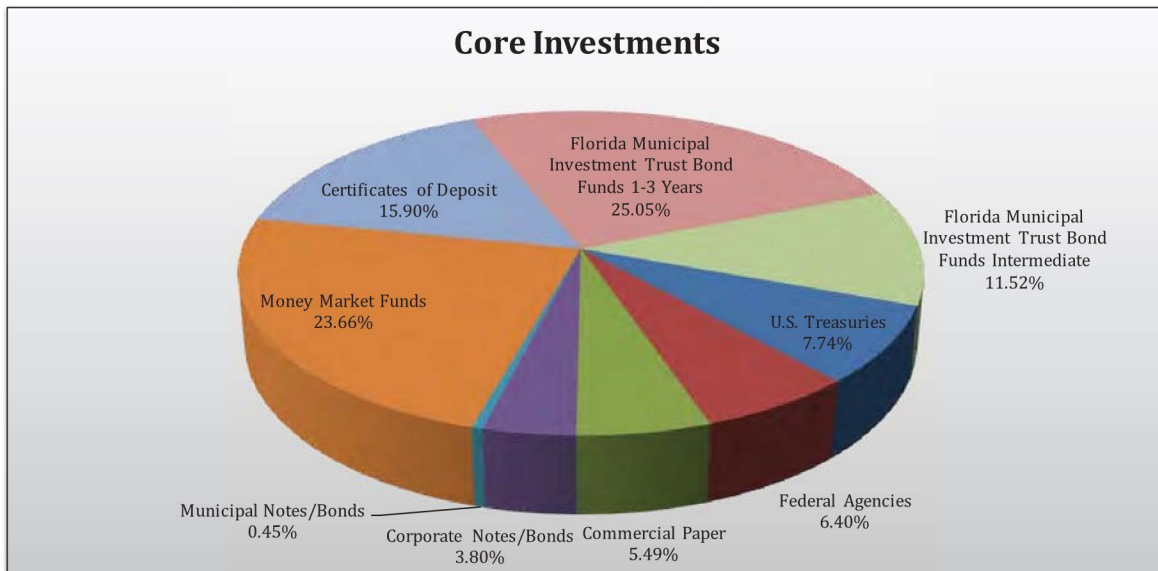
Core Investments - Weighted Average Duration Calculation

Investment	Market Value	% of Portfolio	Duration (Yrs)	Weighted Avg. Duration (Yrs)
PFM Fixed Income 1-5 Year	\$ 18,352,716	18.39%	2.59	0.48
PFM Fixed Income < 1 Year	\$ 5,476,328	5.49%	0.36	0.02
FEITF/TD Money Market	\$ 23,616,849	23.66%	0.13	0.03
Bank United Certificate of Deposit	\$ 4,001,828	4.01%	1.00	0.04
TD Bank Certificates of Deposit	\$ 11,867,527	11.89%	2.50	0.30
FMIvT 1-3	\$ 25,008,465	25.05%	1.42	0.36
FMIvT Intermediate	\$ 11,499,329	11.52%	3.73	0.43
Total	\$ 99,823,042	100.00%		1.65

Portfolio Composition by Security Type

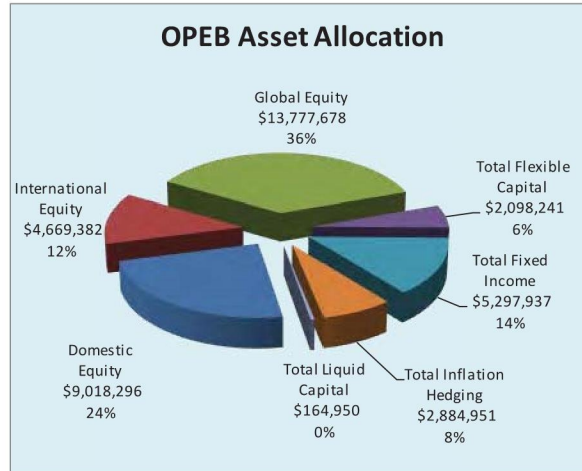
Security Type	Value	Distribution
Core Investments		
U.S. Treasuries	\$ 7,727,417	7.74%
Federal Agencies	6,389,430	6.40%
Commercial Paper	5,476,328	5.49%
Corporate Notes/Bonds	3,789,574	3.80%
Municipal Notes/Bonds	446,295	0.45%
Money Market Funds	23,616,849	23.66%
Certificates of Deposit	15,869,355	15.90%
Florida Municipal Investment Trust Bond Funds 1-3 Years	25,008,465	25.05%
Florida Municipal Investment Trust Bond Funds Intermediate	11,499,329	11.52%
Total Core Investments	\$ 99,823,042	100.00%

Security Type	Value	Distribution
Bond Funds		
U.S. Treasuries	\$ 3,746,190	14.50%
Federal Agencies	6,251,809	24.21%
Commercial Paper	10,775,099	41.73%
Certificates of Deposit	3,028,459	11.73%
Money Market Funds	2,020,268	7.82%
Total Bond Funds	\$ 25,821,825	100.00%



Health Insurance Trust (OPEB) Performance
as of December 31, 2016
Market Value - \$24,223,757

	1 mo	3 mo	Fiscal YTD	Calendar YTD	1 Yr	2 Yrs	3 Yrs	5 Yrs	Return Since July 2007
Total Fund	0.8	1.3	1.3	6.9	6.9	1.1	1.5	6.4	2.7
Target Index	1.3	1.2	1.2	7.6	7.6	2.0	2.1	5.9	3



Town of Palm Beach
Certificate of Deposit Schedule
as of 12/31/16

Amount		Date Purchased	Maturity Date	Term	Yield
Bank United					
\$ 3,000,000	2/4/2016	8/4/2017	18 mo.	1.05%	
4,000,000	12/15/2016	12/15/2017	1 yr.	1.05%	
7,000,000	Sub Total Bank United				
TD Bank					
\$ 5,000,000	6/1/2014	6/1/2019	5 yr.	1.86%	
2,500,000	6/1/2014	6/1/2019	5 yr.	1.84%	
4,000,000	12/13/2016	6/13/2017	6 mo.	0.75%	
11,500,000	Sub Total TD Bank				
\$ 18,500,000	Total Certificates of Deposit				



FMIVT 1-3 Year High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest Maturity		Cost	Price	Market		Unrealized		% of Total		from Investment Manager				
			Rate	Date			Value	Gain/Loss			Market	YTM	DUR	WAL	RATING	Moody's	S&P
02007CAD4	11,670,000.00	ALLYA 2016-1 A3 1.	1.470	04/15/2020	11,668,668.45	100.05	11,675,687.96	7,019.51	3.46%			1.47	1.17	1.19	Aaa		N.R.
05581RAB2	635,797.51	BMWLT 2016-1 A2A 1	1.170	01/22/2018	635,735.27	100.02	635,912.91	177.64	0.19%			1.13	0.31	0.31	Aaa		N.R.
05581RAD8	12,000,000.00	BMWLT 2016-1 A3 1.	1.340	01/22/2019	11,998,590.00	99.91	11,989,664.40	(8,925.60)	3.56%			1.32	1.03	1.05	Aaa		N.R.
12594BAB8	2,749,948.09	CNH 16-A A2A 1.22	1.220	07/15/2019	2,749,758.89	100.00	2,749,968.16	209.27	0.82%			1.25	0.51	0.52	Aaa		N.R.
12625HAD4	8,000,000.00	CNH 13-B-A4 0.99 1	0.990	11/15/2018	7,997,588.80	99.97	7,997,372.00	(216.80)	2.37%			1.22	0.30	0.31	Aaa		N.R.
14312QAC0	4,880,000.00	CARMX 16-4 A3 1.40	1.400	08/15/2021	4,878,800.01	98.93	4,827,710.31	(51,089.70)	1.43%			1.94	2.32	2.38	Aaa		N.R.
14313LAD8	1,828,733.70	CARMX 13-1 A4 0.89	0.890	08/17/2018	1,823,947.56	99.93	1,827,505.89	3,558.33	0.54%			1.24	0.21	0.21	Aaa		AAA
14313VAB0	1,670,754.48	CARMX 15-3 A2A 1.1	1.100	11/15/2018	1,670,586.57	99.98	1,670,386.91	(199.66)	0.50%			1.21	0.25	0.25	Aaa		N.R.
14313XAB6	1,059,443.54	CARMX 15-4 A2A 1.0	1.090	04/15/2019	1,059,354.97	99.99	1,059,323.08	(31.89)	0.31%			1.15	0.32	0.33	Aaa		AAA
14313XAC4	795,000.00	CARMX 15-4 A3 1.56	1.560	11/16/2020	798,912.89	100.04	795,302.42	(3,610.47)	0.24%			1.57	1.41	1.44	Aaa		AAA
14313YAB4	7,174,881.41	CARMX 16-1 A2A 1.3	1.300	04/15/2019	7,174,516.21	100.03	7,176,865.98	2,349.77	2.13%			1.26	0.44	0.45	Aaa		AAA
14314EAC5	7,385,000.00	CARMX 16-3 A3 1.39	1.390	05/17/2021	7,383,896.68	99.34	7,336,108.35	(47,788.33)	2.18%			1.81	2.08	2.13	NR		AAA
161571HG2	6,345,000.00	CHAIT 2016-A6 A6 1	1.100	01/15/2020	6,344,342.02	99.76	6,329,904.61	(14,437.41)	1.88%			1.38	1.01	1.03	NR		AAA
17305EDY8	9,620,000.00	CITIBANK CR CD 07-	5.650	09/20/2019	10,231,794.53	103.10	9,918,477.82	(313,316.71)	2.94%			1.21	0.69	0.71	Aaa		AAA
31283KU89	383,807.00	FHLMC GOLD #G11507	4.500	01/01/2019	411,033.31	102.77	394,449.97	(16,583.34)	0.12%			1.87	0.76	0.78	Aaa		AA+
3128MBU21	586,581.38	FHLMC GOLD #G13101	4.500	11/01/2019	629,108.53	102.65	602,114.05	(26,994.48)	0.18%			1.87	0.92	0.95	Aaa		AA+
3128MEW98	1,773,411.49	FHLMC G(G1-5872	5.000	06/01/2026	1,890,900.00	105.81	1,876,411.23	(14,488.77)	0.56%			1.76	1.72	1.79	Aaa		AA+
3130A8DB6	10,400,000.00	FHLB 1.125 6/21/19	1.125	06/21/2019	10,498,191.75	99.43	10,340,824.00	(157,367.75)	3.07%			1.36	2.43	2.48	Aaa		AA+
3135G0J53	9,250,000.00	FNMA 1.0 2/26/19	1.000	02/26/2019	9,309,440.50	99.38	9,192,465.00	(116,975.50)	2.73%			1.29	2.11	2.16	Aaa		AA+
3136A2ZT3	1,633,973.49	FNMA 2011-122 EC 1	1.500	01/25/2020	1,656,365.85	100.05	1,634,840.31	(21,525.54)	0.49%			1.31	0.90	0.91	Aaa		AA+
3136A3UG4	2,453,024.74	FNMA REMIC TRUST 2	1.750	12/25/2021	2,496,850.12	100.41	2,463,031.12	(33,819.00)	0.73%			1.63	1.44	1.47	Aaa		AA+
3136A9YB8	3,487,347.24	FNMA 2012-123 WM 2	2.500	02/25/2022	3,592,240.12	101.19	3,528,700.55	(63,539.57)	1.05%			1.44	1.12	1.14	Aaa		AA+
3136ACQT1	2,693,103.83	FNMA 2013-21 BA 1.	1.000	03/25/2023	2,680,059.11	98.57	2,654,604.83	(25,454.28)	0.79%			1.93	2.07	2.14	Aaa		AA+
3136APD58	1,314,594.54	FNMA 2015-55 JA 2.	2.000	07/25/2025	1,331,232.38	100.60	1,322,498.01	(8,734.37)	0.39%			1.86	1.87	1.93	Aaa		AA+
3137A1W74	208,196.03	FHLMC 3728 CA 1.5	1.500	10/15/2018	210,619.56	100.10	208,414.14	(2,205.42)	0.06%			1.32	0.75	0.76	Aaa		AA+
3137A2MV0	360,999.10	FHLMC 3756 DA 1.2	1.200	11/15/2018	363,678.39	99.86	360,481.72	(3,196.67)	0.11%			1.37	0.77	0.78	Aaa		AA+
3137A4Y68	498,068.39	FHLMC 3799 GK 2.75	2.750	01/15/2021	516,668.13	101.89	507,498.52	(9,169.61)	0.15%			1.64	1.58	1.62	Aaa		AA+
3137A6AZ5	3,014,037.88	FHMS K010 A1 3.32	3.320	07/25/2020	3,105,518.63	101.36	3,055,179.20	(50,339.43)	0.91%			1.33	0.79	0.80	Aaa		AA+
3137A6SW3	60,165.44	FHLMC 3812 BA 2.0	2.000	09/15/2018	61,396.95	100.38	60,395.59	(1,001.36)	0.02%			1.34	0.70	0.71	Aaa		AA+
3137A7LJ7	106,956.34	FHR 3826 ME MTGE	2.250	07/15/2018	109,429.71	100.50	107,490.78	(1,938.93)	0.03%			1.44	0.69	0.70	Aaa		AA+
3137A8NB0	289,940.94	FHLMC 3830 DA 2.5	2.500	12/15/2018	299,817.05	100.70	291,966.55	(7,850.50)	0.09%			1.43	0.73	0.74	Aaa		AA+
3137A9PK6	237,686.65	FHLMC 3842 CJ 2.0	2.000	09/15/2018	240,583.45	100.40	238,644.03	(1,939.42)	0.07%			1.40	0.75	0.76	Aaa		AA+
3137A9YB6	405,889.08	FHLMC 3838 AE 2.5	2.500	11/15/2018	417,051.03	100.72	408,798.17	(8,252.86)	0.12%			1.44	0.75	0.76	Aaa		AA+
3137AAR54	540,000.10	FED HOME LN MTG CO	2.500	10/15/2018	552,065.73	100.70	543,772.22	(8,293.51)	0.16%			1.42	0.71	0.72	Aaa		AA+

FMLVT 1-3 Year High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Asset Description	Units	Interest Rate	Maturity Date	Market			Unrealized		% of Total			from Investment Manager				
					Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's Rating	S&P Rating					
02007CAD4	11,670,000.00 ALLYA 2016-1 A3 1. 93,993.19 FED HOME LN MTG CO 261,451.44 FHLMC 3872 ND 2.0 2,594,877.96 FHLMC 3876 CA 2.75 1,242,960.29 FHLMC 3876 CB 2.75 121,517.94 FHLMC 3895 CD 2.0 324,110.76 FHLMC 3955 YA 1.75 1,417,171.56 FHMS K706 A2 2.323 1,689,000.00 FHMS K707 A2 2.22 739,187.68 FHMS K709 A1 1.56 4,997,021.85 FHMS K502 A2 1.426 2,633,528.04 Freddie Mac 3/15/2 1,556,034.40 FHLMC 4399 CB 2.5 319,311.39 FHLMC 3730 GE 2.5 4,821,688.13 FNMA #A(AL3620 156,840.44 FED NATL MTG ASSN 31,547.72 FHLMC 2503 BH 5.5 123,433.55 FNMA 2003-24 BC 5. 66,526.61 FHLMC REMIC SERIES 124,442.70 FHLMC 2633 PE 4.5 85,688.53 FHLMC 2631 LC 4.5 32,916.66 FNMA 2003-120 181,260.19 FHLMC 2786 BC 4.0 226,485.90 FNMA 2009-52 AJ 4. 344,603.51 FNMA 2009-70 CL 3. 423,685.62 FHLMC 3209 EG 4.5 20,218.55 FHLMC REMIC SERIES 608,023.93 FNMA 2009-17 AN 4. 740,688.27 FNMA 2011-16 GE 2. 622,315.93 FNMA 2011-47 MA 2. 2,836,242.59 FNMA 2009-88 DC 3. 613,345.89 FHLMC 3578 B 4.5 9 309,457.78 FNMA 2010-32 CL 3. 3,193,308.49 FNMA 2010-58 PT 2. 413,017.84 FNMA 2010-153 AC 2 181,493.25 FNMA #745832 6.0 4 3,956,600.38 FNMA #M(MA1079 6,195,000.00 GEMNT 10-2 A 4.47 86,779.48 GNMA 2004-30 UC 5.	11,668,668.45	100.05	11,675,687.96	7,019.51	3.46%	1.47	1.17	1.19	Aaa	N.R.						
3137AAYD9		94,903.75	100.53	94,486.76	(416.99)	0.03%	1.24	0.72	0.73	Aaa	AA+						
3137ACJU4		266,762.17	100.68	263,233.41	(3,528.76)	0.08%	1.55	1.51	1.55	Aaa	AA+						
3137ACK99		2,679,414.23	100.94	2,619,383.73	(60,030.50)	0.78%	1.43	0.78	0.79	Aaa	AA+						
3137ACKA6		1,264,517.88	100.98	1,255,170.26	(9,347.62)	0.37%	1.37	0.78	0.79	Aaa	AA+						
3137ACUK3		123,644.51	100.51	122,133.60	(1,510.91)	0.04%	1.23	0.73	0.74	Aaa	AA+						
3137AJAV6		328,807.83	100.33	325,170.80	(3,637.03)	0.10%	1.41	1.00	1.02	Aaa	AA+						
3137AL6V6		1,434,387.98	101.27	1,435,166.10	778.12	0.43%	1.55	1.70	1.74	Aaa	AA+						
3137ANMN2		1,711,959.84	101.10	1,707,597.92	(4,361.92)	0.51%	1.64	1.86	1.89	Aaa	AA+						
3137AQV7		742,306.13	100.08	739,802.31	(2,503.82)	0.22%	1.39	0.93	0.94	Aaa	AA+						
3137B03W2	5,096,867.34	100.07	5,000,434.32	(96,433.02)	1.48%	1.10	0.48	0.48	Aaa	AAA							
3137B9BG9	2,677,454.47	100.39	2,643,782.21	(33,672.26)	0.78%	1.58	1.45	1.49	Aaa	AA+							
3137BERG1	1,582,049.35	100.65	1,566,072.53	(15,976.82)	0.46%	1.26	0.59	0.60	Aaa	AA+							
3137GA2H9	329,589.23	101.20	323,134.54	(6,454.69)	0.10%	1.65	1.43	1.47	Aaa	AA+							
3138ELAW3	4,914,166.62	102.10	4,923,184.67	9,018.05	1.46%	1.77	2.14	2.23	Aaa	AA+							
3138EMBX8	167,427.17	101.85	159,738.85	(7,688.32)	0.05%	1.15	0.50	0.51	Aaa	AA+							
31392UMQ4	33,952.00	101.05	31,879.89	(2,072.11)	0.01%	1.68	0.34	0.34	Aaa	AA+							
31393AC88	132,768.21	101.66	125,476.72	(7,291.49)	0.04%	1.58	0.58	0.59	Aaa	AA+							
31393NK24	71,516.11	101.69	67,648.93	(3,867.18)	0.02%	1.59	0.55	0.56	Aaa	AA+							
31393RLW8	132,531.48	101.85	126,746.32	(5,785.16)	0.04%	1.43	0.65	0.67	Aaa	AA+							
31393RVZ0	91,151.17	101.83	87,257.90	(3,893.27)	0.03%	1.42	0.65	0.66	Aaa	AA+							
31393UGR8	34,816.76	101.65	33,458.14	(1,358.62)	0.01%	1.51	0.76	0.77	Aaa	AA+							
31394WAF5	194,118.34	102.18	185,210.96	(8,907.38)	0.05%	1.67	0.98	1.00	Aaa	AA+							
31396QKJ7	240,888.99	102.51	232,176.24	(8,712.75)	0.07%	1.74	1.19	1.23	Aaa	AA+							
31396QZS1	355,560.83	101.04	348,187.04	(7,373.79)	0.10%	1.31	0.72	0.73	Aaa	AA+							
31397A5S8	453,409.81	102.93	436,095.33	(17,314.48)	0.13%	2.01	1.25	1.30	Aaa	AA+							
31397FV90	21,987.67	102.61	20,746.04	(1,241.63)	0.01%	1.61	0.97	1.00	Aaa	AA+							
31397NFA8	645,360.40	102.45	622,891.82	(22,468.58)	0.18%	1.65	0.94	0.97	Aaa	AA+							
31397SAY0	757,915.52	100.85	747,013.08	(10,902.44)	0.22%	1.60	0.86	0.88	Aaa	AA+							
31397UDX4	639,552.44	101.28	630,311.76	(9,240.68)	0.19%	1.55	1.31	1.34	Aaa	AA+							
31398F3U3	2,931,522.61	101.77	2,886,336.59	(45,186.02)	0.86%	1.36	1.02	1.04	Aaa	AA+							
31398JV2	642,288.15	101.79	624,310.18	(17,977.97)	0.19%	1.34	0.62	0.63	Aaa	AA+							
31398M5L6	324,954.85	101.60	314,410.99	(10,543.86)	0.09%	1.33	0.75	0.77	Aaa	AA+							
31398RXB6	3,272,143.29	101.25	3,233,120.42	(39,022.87)	0.96%	1.68	1.53	1.57	Aaa	AA+							
31398S3S0	418,051.49	100.47	414,951.34	(3,100.15)	0.12%	1.27	0.79	0.80	Aaa	AA+							
38403DSV2	198,281.38	104.64	189,910.91	(8,370.47)	0.06%	1.76	1.21	1.26	Aaa	AA+							
38418AFV5	4,029,859.29	101.86	4,029,995.32	136.03	1.20%	1.72	2.02	2.10	Aaa	AA+							
36159JBZ3	7,024,549.22	100.67	6,236,199.23	(788,349.99)	1.85%	1.15	0.19	0.19	Aaa	AAA							
38374FW9	95,972.68	104.11	90,348.53	(5,624.15)	0.03%	1.02	0.97	0.99	Aaa	AA+							

FMIvT 1-3 Year High Quality Bond Fund

Portfolio NAV	337,632,349.37
# Shares	18,479,459.7000
NAV per Shares	18.270683



FMIvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Interest			Maturity		Market		Unrealized		% of Total		from Investment Manager					
Asset ID	Units	Asset Description	Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's RATING	S&P RATING		
02005AC55	1,100,000.00	AMOT 2012-4 A 1.72	1.720	07/15/2019	1,112,632.82	100.25	1,102,695.22	(9,937.60)	0.34%	1.30	0.52	0.57	NR	AAA		
02005ACW6	2,640,000.00	AMOT 2012-5 A 1.54	1.540	09/15/2019	2,665,368.77	100.14	2,643,755.14	(21,613.63)	0.83%	1.38	0.69	0.69	NR	AAA		
02006TAB2	565,150.52	ALLYA 2014-1 A3 0.	0.970	10/15/2018	564,885.61	99.97	564,962.83	77.22	0.18%	1.11	0.29	0.29	Aaa	AAA		
02006JAE3	2,868,526.85	ALLYL 2014-SN2 A4	1.210	02/20/2019	2,868,904.73	100.00	2,868,585.37	(319.36)	0.90%	1.21	0.10	0.10	NR	AAA		
02006XAE7	860,000.00	ALLYL 2015-SN1 A4	1.380	02/20/2019	861,343.75	100.07	860,576.37	(767.38)	0.27%	1.14	0.21	0.22	Aaa	N.R.		
02006YAB1	392,167.00	ALLYA 2015-1 A2 0.	0.920	02/15/2018	392,162.06	99.98	392,101.55	(60.51)	0.12%	1.31	0.05	0.05	Aaa	AAA		
03062AAD8	1,185,714.24	AMER CRD 14-3 A3 1	1.150	06/10/2019	1,185,714.24	99.96	1,185,202.37	(511.87)	0.37%	1.36	0.23	0.23	Aaa	AAA		
03064VAC2	735,839.05	AMER CRD 14-2 A3 0	0.940	02/08/2019	734,430.61	99.92	735,222.86	792.25	0.23%	1.59	0.14	0.14	Aaa	N.R.		
03064XAE4	367,420.98	AMER CRD 2012-5 C	1.690	11/08/2018	368,683.99	100.01	367,458.31	(1,225.68)	0.11%	1.21	0.01	0.01	NR	AAA		
03065DAB3	3,650,000.00	AMER CRD 16-3 A2A	1.370	11/08/2019	3,649,770.05	100.05	3,651,969.90	2,199.85	1.14%	1.31	0.59	0.59	NR	AAA		
03065JAD6	1,547,152.67	AMER CRD 14-4 A3 1	1.270	07/08/2019	1,547,636.16	99.99	1,546,993.78	(642.38)	0.48%	1.33	0.30	0.31	NR	AAA		
03065NAD7	1,840,000.00	AMER CRD 15-3 A3 1	1.540	03/09/2020	1,844,600.00	100.09	1,841,708.07	(2,891.93)	0.58%	1.44	0.70	0.71	NR	AAA		
03065TAB8	3,655,000.00	AMERICREDIT AUTO R	1.340	04/08/2020	3,654,785.82	99.95	3,653,262.41	(1,523.41)	1.14%	1.43	0.80	0.81	NR	AAA		
084670BR8	3,875,000.00	BERKSHIRE 2.75 3/1	2.750	03/15/2023	3,967,961.25	99.62	3,860,468.75	(107,492.50)	1.21%	2.82	5.62	6.21	Aa2	AA		
12594DAB4	1,500,000.00	CNH 16-B A2A 1.31	1.310	10/15/2019	1,499,992.80	100.01	1,500,126.60	133.80	0.47%	1.33	0.68	0.68	Aaa	N.R.		
12625HAC6	55,306.63	CNH 13-B-A3 0.69 8	0.690	08/15/2018	55,285.03	99.98	55,293.88	8.85	0.02%	1.23	0.10	0.10	Aaa	N.R.		
13056MAC1	1,707,358.05	CRART 2015-2 A3 1.	1.310	08/15/2019	1,709,425.56	100.00	1,707,283.10	(2,142.46)	0.53%	1.42	0.48	0.48	NR	AAA		
13056TAB8	1,056,750.24	CRART 2013-2 A2 1.	1.230	03/15/2019	1,057,575.83	100.02	1,056,952.71	(623.12)	0.33%	1.20	0.37	0.37	Aaa	N.R.		
13974MAB2	1,650,000.00	AFIN 2016-2 A2A 1.	1.320	01/22/2019	1,649,951.66	100.04	1,650,613.30	661.64	0.52%	1.26	0.46	0.47	Aaa	AAA		
13975JAC6	737,903.79	AFIN 2014-3 A3 1.4	1.480	11/20/2018	738,797.34	100.07	738,388.00	(409.34)	0.23%	1.24	0.26	0.26	Aaa	N.R.		
14041NFE6	3,500,000.00	COMET 2016-A3 A3 1	1.340	04/15/2022	3,499,975.50	98.89	3,461,265.50	(38,710.00)	1.08%	1.88	2.38	2.44	NR	AAA		
143127AH1	298,687.55	CARMX 15-2 A2A 0.8	0.820	06/15/2018	298,655.89	99.98	298,626.38	(29.51)	0.09%	1.28	0.05	0.05	Aaa	N.R.		
14312QAB2	3,935,000.00	CARMX 16-4 A2 1.21	1.210	11/15/2019	3,934,786.72	99.80	3,927,189.81	(7,596.91)	1.23%	1.44	0.98	0.99	Aaa	N.R.		
14313MAD6	512,228.03	CARMX 13-2 A4 0.84	0.840	11/15/2018	511,567.74	99.87	511,580.98	13.24	0.16%	1.24	0.34	0.34	NR	AAA		
14313RAC7	621,426.48	CARMX 14-2 A3 0.98	0.980	01/15/2019	621,256.56	99.93	621,006.27	(250.29)	0.19%	1.19	0.35	0.36	Aaa	AAA		
14313VAB0	1,030,891.06	CARMX 15-3 A2A 1.1	1.100	11/15/2018	1,030,787.46	99.98	1,030,664.26	(123.20)	0.32%	1.21	0.25	0.25	Aaa	N.R.		
14313VAH7	2,044,008.13	CARMX 15-3 A2B FLT	1.154	11/15/2018	2,044,008.13	100.05	2,044,933.04	924.91	0.64%	0.98	0.10	0.25	Aaa	N.R.		
14314EAC5	3,225,000.00	CARMX 16-3 A3 1.39	1.390	05/17/2021	3,224,518.19	99.34	3,203,649.21	(20,868.98)	1.00%	1.81	2.08	2.13	NR	AAA		
31283GFD4	43.07	FHLMC P(G0-0164	10.000	06/01/2021	46.94	101.24	43.60	(3.34)	0.00%	2.77	1.02	1.15	Aaa	AA+		
3128LXB25	252,582.12	FHLMC P(G0-1857	5.000	10/01/2033	249,937.90	110.16	278,234.36	28,296.46	0.09%	2.97	4.09	4.64	Aaa	AA+		
3128M9Z21	6,845,387.44	FHLMC G(G0-7661	3.000	08/01/2043	6,643,789.93	99.84	6,834,092.55	190,302.62	2.13%	3.04	6.92	8.54	Aaa	AA+		
3128M9Z21	566,026.45	FHLMC GOLD #G13790	4.500	04/01/2025	591,437.17	105.56	597,486.20	6,049.03	0.19%	1.87	2.64	2.82	Aaa	AA+		
3128M9Z21	130,326.68	FHLMC GOLD #G14095	4.500	08/01/2025	136,843.01	105.72	137,776.15	933.14	0.04%	1.87	2.52	2.69	Aaa	AA+		
3128M9Z21	1,927,485.99	FHLMC G(G0-8572	3.500	02/01/2044	1,963,927.52	102.93	1,983,980.60	20,053.08	0.62%	3.08	5.69	6.87	Aaa	AA+		

FMIvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest	Maturity	from Investment Manager									
					Market	Unrealized	% of Total	Moody's	S&P					
			Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	RATING	RATING
3128MJUF5	1,354,980.57	FHLMC G(G0-8581	3.500	04/01/2044	1,390,760.53	102.46	1,388,367.29	(2,393.24)	0.43%	3.08	5.55	6.68	Aaa	AA+
3128MJVH0	5,745,262.23	FHLMC G(G0-8615	3.500	11/01/2044	5,954,425.68	102.46	5,886,825.49	(67,600.19)	1.84%	3.08	5.69	6.87	Aaa	AA+
31292GBB1	1,617.06	FHLMC P(CO-0034	10.000	03/01/2021	1,776.57	109.34	1,768.16	(8.41)	0.00%	2.77	1.50	1.62	Aaa	AA+
31294MNG2	3,247,622.08	FHLMC GOLD #E03091	3.000	04/01/2027	3,394,272.51	102.75	3,336,801.78	(57,470.73)	1.04%	2.26	3.40	3.66	Aaa	AA+
31294MNH0	2,607,909.03	FHLMC GOLD #E03092	3.000	04/01/2027	2,731,377.22	102.74	2,679,496.13	(51,881.09)	0.84%	2.26	3.37	3.64	Aaa	AA+
31294MPH8	4,087,075.39	FHLMC GOLD #E03124	3.000	04/01/2027	4,275,464.02	102.74	4,199,061.26	(76,402.76)	1.31%	2.26	3.28	3.53	Aaa	AA+
31307BY95	1,417,204.99	FG #J23(J2-3436	2.500	04/01/2028	1,467,471.48	100.37	1,422,448.65	(45,022.83)	0.44%	2.30	3.75	4.07	Aaa	AA+
3136A0FK8	230,000.00	FNMA 2011-M4 A2 3.	3.726	06/25/2021	242,039.06	105.36	242,329.38	290.32	0.08%	2.39	4.03	4.40	Aaa	AA+
3136AH2E9	1,000,000.00	FNMA 2014-M1 A2 3.	3.363	07/25/2023	981,278.00	103.24	1,032,429.10	51,151.10	0.32%	2.69	5.76	6.46	Aaa	AA+
3136AQV80	625,000.00	FNMA 2016-M1 A2 2.	2.939	01/25/2026	628,092.19	100.09	625,593.13	(2,499.06)	0.20%	2.94	7.79	9.14	Aaa	AA+
3136G0DU2	250,000.00	FEDERAL NATL MTG A	2.000	04/30/2020	250,000.00	101.19	252,985.00	2,985.00	0.08%	1.63	3.21	3.33	Aaa	AA+
3136G16Y0	250,000.00	FEDERAL NATL MTG A	1.070	12/26/2018	250,000.00	99.57	248,927.50	(1,072.50)	0.08%	1.29	1.96	1.99	Aaa	AA+
3136G1AZ2	250,000.00	FEDERAL NATL MTG A	1.000	01/30/2018	250,000.00	99.68	249,210.00	(790.00)	0.08%	1.29	1.07	1.08	Aaa	AA+
31371C6H7	1,870.61	FNMA PO(248472	6.500	12/01/2023	1,806.41	113.14	2,116.35	309.94	0.00%	2.77	2.22	2.37	Aaa	AA+
31371CVE6	5,343.27	FNMA PO(248213	7.500	07/01/2023	5,371.75	101.14	5,404.08	32.33	0.00%	2.77	2.04	2.27	Aaa	AA+
31371EU52	2,539.63	FNMA PO(250004	6.500	04/01/2024	2,452.23	113.14	2,873.26	421.03	0.00%	2.77	2.33	2.49	Aaa	AA+
31372CBQ0	3,320.48	FNMA PO(268347	6.500	01/01/2024	3,206.51	113.14	3,756.69	550.18	0.00%	2.77	2.29	2.55	Aaa	AA+
31372F3H2	2,745.05	FNMA PO(271800	6.500	02/01/2024	2,650.61	113.14	3,105.67	455.06	0.00%	2.77	2.29	2.45	Aaa	AA+
31372F6A4	4,822.83	FNMA PO(271865	6.500	02/01/2024	4,656.92	113.14	5,456.41	799.49	0.00%	2.77	2.16	2.34	Aaa	AA+
31372PY78	1,866.41	FNMA PO(278934	6.500	04/01/2024	1,802.18	113.14	2,111.60	309.42	0.00%	2.77	2.33	2.61	Aaa	AA+
3137A2B26	3,010,000.00	FHMS K009 A2 3.81	3.808	08/25/2020	3,252,916.42	105.88	3,187,004.56	(65,911.86)	1.00%	2.02	3.29	3.54	Aaa	AA+
3137A63Z3	1,566,161.32	FHLMC 3792 DF FLT	1.104	11/15/2040	1,572,707.39	99.90	1,564,586.39	(8,121.00)	0.49%	1.23	0.10	1.33	Aaa	AA+
3137A8PP7	2,970,000.00	FHMS K012 A2 4.18	4.186	12/25/2020	3,289,275.00	107.62	3,196,188.67	(93,086.33)	1.00%	2.16	3.58	4.05	Aaa	AA+
3137B1BS0	10,000,000.00	FHMS K026 A2 2.51	2.510	11/25/2022	10,199,890.00	100.37	10,037,443.00	(162,447.00)	3.13%	2.42	5.33	5.79	Aaa	AA+
3137B1UG5	6,000,000.00	FHLMC REMIC SERIES	2.637	01/25/2023	6,119,976.00	101.01	6,060,453.00	(59,523.00)	1.89%	2.43	5.42	5.92	Aaa	AA+
3137BLMZ8	8,100,000.00	FHMS K049 A2 3.01	3.010	08/25/2025	8,342,781.30	101.19	8,196,684.03	(146,097.27)	2.56%	2.81	7.38	8.46	Aaa	AA+
3137EADB2	8,095,000.00	FHLMC 2.375 1/13/2	2.375	01/13/2022	8,129,447.03	101.64	8,227,838.95	98,391.92	2.57%	2.03	4.68	5.04	Aaa	AA+
31392JGM5	248,354.18	FED NATL MTG ASSN	3.500	03/25/2033	243,951.93	102.01	253,337.28	9,385.35	0.08%	2.34	2.64	2.84	Aaa	AA+
31393CTT0	25,277.25	FED NATL MTG ASSN	3.750	05/25/2033	25,277.25	101.24	25,590.84	313.59	0.01%	1.54	0.78	0.79	Aaa	AA+
31394AWY8	384,272.26	FNMA 2004-60 LB 5.	5.000	04/25/2034	414,533.70	105.96	407,160.36	(7,373.34)	0.13%	1.84	1.94	2.05	Aaa	AA+
31394EDP0	202,013.49	FNMA 2005-58 MA 5.	5.500	07/25/2035	222,214.84	110.24	222,702.66	487.82	0.07%	2.09	2.91	3.12	Aaa	AA+
31396CSM3	18,830.27	FHLMC REMIC SERIES	5.500	03/15/2035	20,030.70	102.65	19,328.63	(702.07)	0.01%	1.29	0.67	0.68	Aaa	AA+
31398F2N0	789,946.56	FNMA 2009-M1 A2 4.	4.287	07/25/2019	800,561.47	104.76	827,562.79	27,001.32	0.26%	2.06	2.14	2.26	Aaa	AA+
31398MC46	1,476,584.29	FNMA 2010-M1 A2 4.	4.450	09/25/2019	1,516,959.64	105.95	1,564,454.20	47,494.56	0.49%	1.95	2.41	2.56	Aaa	AA+
31398QHB6	2,250,000.00	FHMS K007 A2 4.224	4.224	03/25/2020	2,374,277.33	106.58	2,397,970.12	23,692.79	0.75%	1.95	2.89	3.10	Aaa	AA+
31398VA97	65,053.55	FHLMC 3649 EB 2.0	2.000	12/15/2018	66,070.01	100.27	65,226.23	(843.78)	0.02%	1.46	0.60	0.61	Aaa	AA+
31402ZDC73	206,891.23	FNMA #725594 5.5 7	5.500	07/01/2034	226,368.10	112.22	232,162.99	5,794.89	0.07%	2.70	3.95	4.44	Aaa	AA+
31402RF95	263,147.71	FNMA PO(735592	5.000	05/01/2034	256,157.85	109.76	288,833.56	32,675.71	0.09%	2.97	4.08	4.62	Aaa	AA+
31410GBT9	1,409,837.64	FNMA #888450 5.5 8	5.500	08/01/2035	1,554,566.29	112.14	1,581,034.22	26,467.93	0.49%	2.70	3.84	4.28	Aaa	AA+

FMIvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Asset ID	Units	Asset Description	Interest	Maturity	Market			% of Total			from Investment Manager				
					Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's S&P RATING RATING
31412QY60	958,410.66	FNMA PA(932333	4.000	01/01/2025			975,182.85	106.66	1,022,288.73	47,105.88	0.32%	2.10	2.70	2.88	Aaa AA+
31416M6U3	58,340.14	FNMA #A(AA4482	4.000	04/01/2039			60,965.44	105.76	61,702.28	736.84	0.02%	3.10	4.71	5.45	Aaa AA+
31418AJM1	1,055,005.07	FNMA #M(MA1167	2.500	09/01/2027			1,097,370.12	100.31	1,058,233.39	(39,136.73)	0.33%	2.30	3.90	4.23	Aaa AA+
31419AGK7	155,421.97	FNMA #AE0201 5.5 8	5.500	08/01/2037			170,769.89	112.17	174,335.27	3,565.38	0.05%	2.70	3.94	4.43	Aaa AA+
34528QBP8	2,900,000.00	FORDF 12-2 A 1.92	1.920	01/15/2019			2,899,150.01	100.03	2,900,770.24	1,620.23	0.91%	1.25	0.10	0.10	Aaa AAA
36159JDH1	5,600,000.00	GEMNT 12-6 A 1.36	1.360	08/17/2020			5,597,823.84	100.06	5,603,123.68	5,299.84	1.75%	1.29	0.60	0.61	NR AAA
36203E7B8	2,559.53	GNMA PO(347490X	7.000	09/15/2023			2,531.64	106.86	2,735.14	203.50	0.00%	2.77	2.25	2.42	Aaa AA+
36203LRW4	1,187.79	GNMA PO(352501X	7.000	09/15/2023			1,174.84	107.00	1,270.89	96.05	0.00%	2.77	2.17	2.33	Aaa AA+
36203R4F3	319.14	GNMA PO(357322X	7.000	09/15/2023			315.66	106.08	338.54	22.88	0.00%	2.77	2.11	2.27	Aaa AA+
36203XWY8	1,177.20	GNMA PO(362563X	7.000	08/15/2023			1,164.37	103.27	1,215.69	51.32	0.00%	2.77	2.08	2.28	Aaa AA+
36204D4S5	6,034.88	GNMA PO(367233X	7.000	09/15/2023			5,969.12	107.11	6,463.72	494.60	0.00%	2.77	2.18	2.34	Aaa AA+
36205Y3Y6	8,246.90	GNMA PO(405015X	9.000	03/15/2025			8,833.63	100.46	8,285.17	(548.46)	0.00%	2.77	2.75	3.36	Aaa AA+
36206CHJ1	797.43	GNMA PO(407133X	9.000	01/15/2025			850.47	101.11	806.28	(44.19)	0.00%	2.77	2.62	3.15	Aaa AA+
36206FHJ4	35,053.99	GNMA PO(409833X	9.000	04/15/2025			36,875.02	103.40	36,244.07	(630.95)	0.01%	2.77	2.69	3.16	Aaa AA+
36224QVE3	4,936.39	GNMA PO(335513X	7.000	12/15/2022			4,882.61	106.28	5,246.25	363.64	0.00%	2.77	2.00	2.16	Aaa AA+
36251LAB9	5,554,260.03	GMALT 16-2 A2A 1.2	1.280	10/22/2018			5,553,761.26	99.97	5,552,817.59	(943.67)	1.73%	1.35	0.75	0.76	NR AAA
44890UAD6	1,700,000.00	HART 2014-B A4 1.4	1.460	11/15/2019			1,707,238.28	100.13	1,702,145.57	(5,092.71)	0.53%	1.37	0.97	0.98	NR AAA
46625HJG6	2,000,000.00	JPMORGAN CHASE & C	1.800	01/25/2018			1,998,660.00	100.11	2,002,220.00	3,560.00	0.63%	1.69	1.04	1.07	A3 A-
80283FAF3	3,200,000.00	SDART 2013-1 D 2.2	2.270	01/15/2019			3,212,375.01	100.39	3,212,639.68	264.67	1.00%	1.61	0.57	0.58	NR AAA
80283NAF6	3,605,820.83	SDART 2014-1 C 2.3	2.360	04/15/2020			3,630,047.44	100.42	3,621,063.36	(8,984.08)	1.13%	1.15	0.35	0.35	NR AAA
80283XAF4	2,700,000.00	SDART 2014-3 C 2.1	2.130	08/17/2020			2,713,851.58	100.37	2,709,880.65	(3,970.93)	0.85%	1.42	0.50	0.50	Aaa AAA
80284AAE6	440,338.97	SDART 2014-5 B 1.7	1.760	09/16/2019			441,302.21	100.12	440,847.61	(454.60)	0.14%	1.34	0.27	0.27	Aaa N.R.
80284CAD4	335,116.97	SDART 2015-1 A3 1.	1.270	02/15/2019			335,326.42	100.00	335,115.29	(211.13)	0.10%	1.31	0.10	0.10	NR AAA
80284LAE2	2,915,000.00	SDART 2015-3 B 2.0	2.070	04/15/2020			2,932,763.28	100.35	2,925,203.96	(7,559.32)	0.91%	1.65	0.77	0.78	Aaa N.R.
80285EAB3	2,579,893.31	SDART 2016-1 A2A 1	1.410	07/15/2019			2,584,125.96	100.07	2,581,667.50	(2,458.46)	0.81%	1.19	0.29	0.30	Aaa N.R.
89231MAC9	510,150.60	TOYOTA AUTO 14-A	0.670	12/15/2017			509,233.93	99.96	509,927.66	693.73	0.16%	1.24	0.10	0.10	Aaa AAA
912796KX6	9,250,000.00	US TREASURY BILL 1	0.000	11/09/2017			9,195,326.33	99.41	9,195,326.33	0.00	2.87%	0.80	0.86	0.86	Aaa AA+
912828B5	500,000.00	US TREASURY 0.75 8	0.750	08/15/2019			498,361.05	98.46	492,305.00	(6,056.05)	0.15%	1.35	2.58	2.62	Aaa AA+
912828A42	5,000,000.00	US TREASURY 2.0 11	2.000	11/30/2020			5,058,219.85	101.04	5,051,750.00	(6,469.85)	1.58%	1.73	3.75	3.92	Aaa AA+
912828B66	13,850,000.00	US TREASURY 2.75 2	2.750	02/15/2024			13,891,901.12	103.28	14,304,418.50	412,517.38	4.47%	2.25	6.40	7.13	Aaa AA+
912828K74	1,450,000.00	US TREASURY 2.0 8/	2.000	08/15/2025			1,437,035.10	96.87	1,404,571.50	(32,463.60)	0.44%	2.40	7.80	8.62	Aaa AA+
912828P46	3,000,000.00	US TREASURY 1.625	1.625	02/15/2026			2,944,347.94	93.44	2,803,140.00	(141,207.94)	0.88%	2.43	8.34	9.13	Aaa AA+
912828Q52	3,000,000.00	US TREASURY 0.875	0.875	04/15/2019			2,995,088.18	99.10	2,973,060.00	(22,028.18)	0.93%	1.27	2.25	2.29	Aaa AA+
912828Q78	13,000,000.00	US TREASURY 1.375	1.375	04/30/2021			13,051,840.36	98.10	12,752,740.00	(299,100.36)	3.98%	1.83	4.17	4.33	Aaa AA+
912828Q94	3,000,000.00	US TREASURY 0.75 4	0.750	04/30/2018			2,998,369.44	99.67	2,990,160.00	(8,209.44)	0.93%	1.00	1.32	1.33	Aaa AA+
912828R28	3,000,000.00	US TREASURY 1.625	1.625	04/30/2023			3,002,472.94	96.72	2,901,570.00	(100,902.94)	0.91%	2.18	5.95	6.33	Aaa AA+
912828S92	20,200,000.00	US TREASURY 1.25 7	1.250	07/31/2023			19,145,783.93	94.14	19,016,482.00	(129,301.93)	5.94%	2.21	6.23	6.58	Aaa AA+
912828T67	4,500,000.00	US TREASURY 1.25 1	1.250	10/31/2021			4,407,729.92	96.97	4,363,605.00	(44,124.92)	1.36%	1.91	4.65	4.83	Aaa AA+
912828TS9	1,100,000.00	US TREASURY 0.625	0.625	09/30/2017			1,071,024.93	99.86	1,098,449.00	27,424.07	0.34%	0.81	0.74	0.75	Aaa AA+

FMLvT Intermediate High Quality Bond Fund
Holdings as of 12/31/16

Investment Portfolio Performance														from Investment Manager			
Interest			Maturity		Market		% of Total										
Asset ID	Units	Asset Description	Rate	Date	Cost	Price	Value	Gain/Loss	Market	YTM	DUR	WAL	Moody's Rating	S&P Rating			
912828TY6	300,000.00	US TREASURY 1.625	1.625	11/15/2022	294,212.14	97.32	291,960.00	(2,252.14)	0.09%	2.11	5.55	5.87	Aaa	AA+			
912828U24	5,500,000.00	US TREASURY 2.0 11	2.000	11/15/2026	5,256,442.91	96.22	5,291,825.00	35,382.09	1.65%	2.43	8.86	9.87	Aaa	AA+			
912828U57	11,450,000.00	US TREASURY 2.125	2.125	11/30/2023	11,320,215.75	99.34	11,373,972.00	53,756.25	3.55%	2.23	6.38	6.92	Aaa	AA+			
912828U65	12,430,000.00	US TREASURY 1.75 1	1.750	11/30/2021	12,304,188.92	99.25	12,337,272.20	33,083.28	3.85%	1.91	4.68	4.92	Aaa	AA+			
912828VE7	13,000,000.00	US TREASURY 1.0 5/	1.000	05/31/2018	12,748,402.93	99.96	12,994,930.00	246,527.07	4.06%	1.03	1.40	1.41	Aaa	AA+			
912828VP2	1,700,000.00	US TREASURY 2.0 7/	2.000	07/31/2020	1,699,077.11	101.29	1,721,981.00	22,903.89	0.54%	1.63	3.42	3.58	Aaa	AA+			
912828WD8	2,000,000.00	US TREASURY 1.25 1	1.250	10/31/2018	1,991,100.44	100.16	2,003,200.00	12,099.56	0.63%	1.16	1.80	1.83	Aaa	AA+			
912828XB1	16,800,000.00	US TREASURY 2.125	2.125	05/15/2025	16,551,942.22	98.03	16,469,208.00	(82,734.22)	5.14%	2.39	7.60	8.37	Aaa	AA+			
92867RAC3	2,245,772.75	VALET 2014-1 A3 0.	0.910	10/22/2018	2,239,143.90	99.87	2,242,839.32	3,695.42	0.70%	1.27	0.44	0.44	Aaa	N.R.			
981464DB3	3,500,000.00	WFNMT 2012-B A 1.7	1.760	05/17/2021	3,518,183.59	100.22	3,507,638.75	(10,544.84)	1.10%	1.23	0.52	0.53	NR	AAA			
981464FJ4	2,525,000.00	WFNMT 2016-A A 2.0	2.03	4/15/2025	2,524,252.85	97.94	2,473,038.02	(51,214.83)	0.77%	2.65	4.19	4.44	NR	AAA			
98160VAE1	6,125,000.00	WOLS 2015-A A4 1.7	1.73	12/15/2020	6,124,731.73	100.33	6,145,144.51	20,412.78	1.92%	1.49	1.16	1.18	Aaa	N.R.			
					320,100,253.32	319,537,953.18		(562,300.14)	99.77%	1.91	3.74	4.08					
VP4560000	727,437.83	WF ADV GOVT MM FD-INSTL #1751			727,437.83	1.00	727,437.83	0.00	0.23%	0.01	-	-	Aaa-mf	AAAm			
					320,827,691.15	320,265,391.01		(562,300.14)	100.00%	1.90	3.73	4.08					
Portfolio NAV					320,742,181.79												
# Shares					13,896,614.43												
NAV per Shares					23.080599												



Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH SHORT TERM PORTFOLIO - 68904245

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper												
BANK OF MONTREAL CHICAGO COMM PAPER		06366GSC4	5,500,000.00	A-1	P-1	08/17/16	08/18/16	5,449,478.79	1.25	0.00	5,475,212.44	5,476,328.00
--	0.000%	05/12/2017										
Security Type Sub-Total			5,500,000.00					5,449,478.79	1.25	0.00	5,475,212.44	5,476,328.00
Managed Account Sub-Total			5,500,000.00					5,449,478.79	1.25	0.00	5,475,212.44	5,476,328.00
Securities Sub-Total			\$5,500,000.00					\$5,449,478.79	1.25%	\$0.00	\$5,475,212.44	\$5,476,328.00
Accrued Interest												\$0.00
Total Investments												\$5,476,328.00



Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note												
US TREASURY NOTES	DTT 10/31/2012 0.750% 10/31/2017	912828TW0	260,000.00	AA+	Aaa	11/01/12	11/05/12	260,192.97	0.73	333.98	260,032.56	259,766.52
US TREASURY NOTES	DTT 11/30/2012 0.625% 11/30/2017	912828UA6	465,000.00	AA+	Aaa	05/06/14	05/09/14	456,026.95	1.18	255.49	462,666.08	463,910.04
US TREASURY NOTES	DTT 12/31/2012 0.750% 12/31/2017	912828UE8	800,000.00	AA+	Aaa	12/05/14	12/09/14	790,593.75	1.14	16.57	796,898.58	798,687.20
US TREASURY NOTES	DTT 04/30/2013 0.625% 04/30/2018	912828UZ1	165,000.00	AA+	Aaa	05/10/13	05/15/13	163,498.24	0.81	176.62	164,591.78	164,194.31
US TREASURY NOTES	DTT 01/31/2014 1.500% 01/31/2019	912828B33	95,000.00	AA+	Aaa	07/29/14	07/31/14	94,558.40	1.61	596.33	94,791.80	95,515.85
US TREASURY NOTES	DTT 06/02/2014 1.500% 05/31/2019	912828WL0	390,000.00	AA+	Aaa	11/10/16	11/14/16	394,265.63	1.06	514.29	394,047.98	391,797.51
US TREASURY NOTES	DTT 11/30/2012 1.000% 11/30/2019	912828UB4	240,000.00	AA+	Aaa	05/28/15	05/29/15	235,368.75	1.44	210.99	236,972.73	237,112.56
US TREASURY NOTES	DTT 02/28/2013 1.250% 02/29/2020	912828UO1	640,000.00	AA+	Aaa	09/01/15	09/03/15	634,125.00	1.46	2,718.23	635,827.36	634,899.84
US TREASURY NOTES	DTT 03/31/2015 1.375% 03/31/2020	912828J84	100,000.00	AA+	Aaa	06/22/16	06/27/16	101,226.56	1.04	351.30	101,061.62	99,476.60
US TREASURY NOTES	DTT 03/31/2015 1.375% 03/31/2020	912828J84	100,000.00	AA+	Aaa	06/22/16	06/27/16	101,273.44	1.03	351.30	101,102.14	99,476.60
US TREASURY NOTES	DTT 03/31/2015 1.375% 03/31/2020	912828J84	249,000.00	AA+	Aaa	06/23/16	06/28/16	251,830.43	1.07	874.75	251,451.80	247,696.73
US TREASURY NOTES	DTT 07/31/2013 2.000% 07/31/2020	912828VP2	300,000.00	AA+	Aaa	02/01/16	02/03/16	309,082.03	1.30	2,510.87	307,283.86	303,879.00
US TREASURY NOTES	DTT 07/31/2013 2.000% 07/31/2020	912828VP2	600,000.00	AA+	Aaa	12/28/15	12/30/15	607,570.31	1.71	5,021.74	605,963.67	607,758.00
US TREASURY NOTES	DTT 07/31/2013 2.000% 07/31/2020	912828VP2	620,000.00	AA+	Aaa	12/01/15	12/04/15	631,576.56	1.58	5,189.13	628,980.35	628,016.60





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note												
US TREASURY NOTE	DTD 12/02/2013 2.000% 11/30/2020	912828A42	270,000.00	AA+	Aaa	05/03/16	05/06/16	279,355.08	1.22	474.73	278,043.35	272,795.04
US TREASURY NOTE	DTD 12/02/2013 2.000% 11/30/2020	912828A42	370,000.00	AA+	Aaa	03/02/16	03/04/16	380,536.33	1.38	650.55	378,746.37	373,830.24
US TREASURY NOTES	DTD 03/31/2016 1.250% 03/31/2021	912828O37	35,000.00	AA+	Aaa	07/06/16	07/08/16	35,497.66	0.94	111.78	35,447.72	34,191.99
US TREASURY NOTES	DTD 03/31/2016 1.250% 03/31/2021	912828O37	375,000.00	AA+	Aaa	09/01/16	09/02/16	375,541.99	1.22	1,197.63	375,504.49	366,342.75
US TREASURY NOTES	DTD 03/31/2014 2.250% 03/31/2021	912828C57	415,000.00	AA+	Aaa	10/03/16	10/05/16	434,615.23	1.17	2,385.68	433,582.76	422,505.69
US TREASURY N/B	DTD 07/31/2014 2.250% 07/31/2021	912828WY2	490,000.00	AA+	Aaa	11/22/16	11/23/16	500,412.50	1.78	4,613.72	500,189.43	497,675.36
US TREASURY NOTES	DTD 09/02/2014 2.000% 08/31/2021	912828D72	725,000.00	AA+	Aaa	12/01/16	12/05/16	726,925.78	1.94	4,926.80	726,899.38	727,888.40

Security Type Sub-Total	7,704,000.00	7,764,073.59	1.38	33,482.48	7,770,085.81	7,727,416.83
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Municipal Bond / Note												
NYC, NY TXBL GO BONDS	DTD 03/31/2015 1.650% 10/01/2018	64966LZC8	265,000.00	AA	Aa2	03/13/15	03/31/15	265,000.00	1.65	1,093.13	265,000.00	265,731.40
NYC, NY TXBL GO BONDS	DTD 06/18/2015 1.800% 06/01/2019	64966LN49	180,000.00	AA	Aa2	06/03/15	06/18/15	180,000.00	1.80	270.00	180,000.00	180,563.40

Security Type Sub-Total	445,000.00	445,000.00	1.71	1,363.13	445,000.00	446,294.80
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Federal Agency Bond / Note												
FREDDIE MAC GLOBAL NOTES	DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	180,000.00	AA+	Aaa	07/30/12	07/31/12	181,416.60	0.84	765.00	180,166.18	180,279.72
FNMA NOTES	DTD 08/25/2014 1.000% 09/27/2017	3135G0ZL0	230,000.00	AA+	Aaa	08/21/14	08/25/14	229,178.90	1.12	600.56	229,800.99	230,215.05





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note												
FANNIE MAE GLOBAL NOTES	DTD 09/24/2012 0.875% 10/26/2017	3135G0P00	500,000.00	AA+	Aaa	11/27/13	12/03/13	496,175.00	1.08	789.93	499,182.92	500,070.00
FREDDIE MAC GLOBAL NOTES	DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	170,000.00	AA+	Aaa	03/20/13	03/21/13	169,369.30	0.95	471.04	169,846.92	169,779.51
FREDDIE MAC GLOBAL NOTES	DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	425,000.00	AA+	Aaa	03/27/13	04/01/13	424,443.25	0.90	1,177.60	424,864.34	424,448.78
FANNIE MAE GLOBAL NOTES	DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	485,000.00	AA+	Aaa	05/22/13	05/28/13	480,732.00	1.06	471.53	483,787.46	483,642.97
FNMA NOTES	DTD 06/08/2015 1.125% 07/20/2018	3135G0E33	320,000.00	AA+	Aaa	05/06/16	05/09/16	322,252.80	0.80	1,610.00	321,596.66	320,005.12
FHLB NOTES	DTD 07/08/2016 0.625% 08/07/2018	3130A8PK3	500,000.00	AA+	Aaa	08/12/16	08/15/16	498,210.00	0.81	1,250.00	498,549.93	496,026.00
FHLB GLOBAL NOTE	DTD 08/26/2016 0.875% 10/01/2018	3130A9AE1	625,000.00	AA+	Aaa	08/25/16	08/26/16	624,575.00	0.91	1,367.19	624,644.06	621,560.63
FHLB GLOBAL NOTE	DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	470,000.00	AA+	Aaa	06/02/16	06/03/16	469,802.60	1.14	146.88	469,838.93	467,324.76
FHLB GLOBAL NOTE	DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	550,000.00	AA+	Aaa	08/03/16	08/04/16	548,944.00	0.94	1,965.10	549,085.94	542,215.85
FHLB GLOBAL NOTE	DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	600,000.00	AA+	Aaa	08/12/16	08/15/16	598,656.00	0.95	2,143.75	598,825.07	591,508.20
FNMA NOTES	DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	520,000.00	AA+	Aaa	08/31/16	09/02/16	519,188.80	1.05	1,718.89	519,277.26	514,223.32
FNMA BENCHMARK NOTE	DTD 05/16/2016 1.250% 05/06/2021	3135G0K69	475,000.00	AA+	Aaa	06/27/16	06/29/16	477,375.00	1.14	907.12	477,134.50	461,542.30
FNMA NOTES	DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	90,000.00	AA+	Aaa	08/17/16	08/19/16	89,692.11	1.32	412.50	89,714.04	86,982.30
FNMA NOTES	DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	310,000.00	AA+	Aaa	08/17/16	08/19/16	308,744.50	1.33	1,420.83	308,833.89	299,605.70





Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total			6,450,000.00					6,438,755.86	1.00	17,217.92	6,445,149.09	6,389,430.21
Corporate Note												
BOEING COMPANY (FLOATING) NOTE DTD 10/31/2014 1.012% 10/30/2017		097023BF1	220,000.00	A	A2	10/28/14	10/31/14	220,000.00	0.36	388.92	220,000.00	219,809.04
AMERICAN HONDA FINANCE CORP NOTES DTD 02/23/2016 1.700% 02/22/2019		02665WBA8	100,000.00	A+	A1	02/18/16	02/23/16	99,980.00	1.71	609.17	99,985.59	99,590.40
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019		38141GVT8	40,000.00	BBB+	A3	04/20/16	04/25/16	39,888.80	2.10	146.67	39,913.54	39,841.12
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019		38141GVT8	240,000.00	BBB+	A3	04/21/16	04/26/16	239,846.40	2.02	880.00	239,880.55	239,046.72
NEW YORK UNIVERSITY CORPORATE NOTE DTD 04/16/2015 1.767% 07/01/2019		650119AF7	60,000.00	AA-	Aa3	04/10/15	04/16/15	60,000.00	1.77	530.10	60,000.00	59,772.96
AMERICAN HONDA FINANCE DTD 07/12/2016 1.200% 07/12/2019		02665WBE0	110,000.00	A+	A1	07/07/16	07/12/16	109,890.00	1.23	619.67	109,906.95	108,044.75
TOYOTA MOTOR CREDIT CORP NOTES DTD 07/18/2014 2.125% 07/18/2019		89236TBP9	450,000.00	AA-	Aa3	04/09/15	04/14/15	457,546.50	1.71	4,329.69	454,579.79	451,952.55
MICROSOFT CORP NOTES DTD 08/08/2016 1.100% 08/08/2019		594918BN3	130,000.00	AAA	Aaa	08/01/16	08/08/16	129,866.10	1.14	568.03	129,883.58	128,251.89
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019		084664CK5	50,000.00	AA	Aa2	08/08/16	08/15/16	49,951.50	1.33	245.56	49,957.51	49,392.80
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019		06406HCW7	450,000.00	A	A1	03/02/15	03/05/15	455,989.50	1.99	3,162.50	453,592.09	453,708.00
GENERAL ELECTRIC CAP CORP NOTES DTD 01/08/2010 5.500% 01/08/2020		36962G4J0	450,000.00	AA-	A1	09/03/15	09/09/15	508,977.00	2.30	11,893.75	491,743.92	493,063.20
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020		46625HKA7	350,000.00	A-	A3	10/02/15	10/06/15	348,670.00	2.34	3,456.25	349,043.12	349,176.10

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Managed Account Detail of Securities Held

For the Month Ending December 31, 2016

TOWN OF PALM BEACH 1-5 YR PORTFOLIO - 68904260

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
WELLS FARGO & CO DTD 02/02/2015 2.150% 01/30/2020		949748GF1	A	A2	03/24/15	03/27/15	451,521.00	2.08	4,058.13	450,988.41	447,873.75
CISCO SYSTEMS INC CORP NOTES DTD 06/17/2015 2.450% 06/15/2020		17275RAX0	AA-	A1	06/15/15	06/18/15	401,048.00	2.39	435.56	400,738.49	404,035.20
AMERICAN EXPRESS CREDIT CORP NOTES DTD 05/05/2016 2.250% 05/05/2021		0258M0EB1	A-	A2	05/05/16	05/10/16	110,601.70	2.13	385.00	110,527.88	108,689.24
BRANCH BANKING & TRUST CORP NOTE DTD 05/10/2016 2.050% 05/10/2021		05531FAV5	A-	A2	05/11/16	05/16/16	89,881.20	2.08	261.38	89,895.58	88,330.41
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021		857477AV5	A	A1	05/19/16	05/24/16	49,811.00	2.03	113.75	49,832.93	48,996.05
Security Type Sub-Total		3,750,000.00					3,823,468.70	1.93	32,084.13	3,800,469.93	3,789,574.18
Managed Account Sub-Total		18,349,000.00					18,471,298.15	1.37	84,147.66	18,460,704.83	18,352,716.02
Securities Sub-Total		\$18,349,000.00					\$18,471,298.15	1.37%	\$84,147.66	\$18,460,704.83	\$18,352,716.02
Accrued Interest											\$84,147.66
Total Investments											\$18,436,863.68





Managed Account Detail of Securities Held

For the Month Ending **December 31, 2016**

TOWN OF PALM BEACH 2013 BOND FUND - 68904265

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES		912828TG5	AA+	Aaa	03/14/14	03/17/14	3,696,240.23	0.93	7,846.47	3,740,621.44	3,746,190.00
DTD 07/31/2012 0.500%	07/31/2017										
Security Type Sub-Total							3,696,240.23	0.93	7,846.47	3,740,621.44	3,746,190.00
Federal Agency Bond / Note											
FNMA NOTES		3135GQZB2	AA+	Aaa	03/14/14	03/17/14	3,738,562.50	0.85	5,546.88	3,748,867.13	3,751,458.75
DTD 03/10/2014 0.750%	04/20/2017										
FANNIE MAE GLOBAL NOTES		3135GPOPO	AA+	Aaa	03/14/14	03/17/14	2,481,325.00	1.09	3,949.65	2,495,697.43	2,500,350.00
DTD 09/24/2012 0.875%	10/26/2017										
Security Type Sub-Total							6,219,887.50	0.94	9,496.53	6,244,564.56	6,251,808.75
Commercial Paper											
BANK OF TOKYO MITSUBISHI UFJ COMM PAPER		06538BP31	A-1	P-1	08/05/16	08/05/16	5,966,330.00	1.12	0.00	5,993,895.00	5,995,686.00
-- 0.000%	02/03/2017										
JP MORGAN SECURITIES LLC COMM PAPER		46640PSC8	A-1	P-1	08/17/16	08/17/16	4,761,408.00	1.09	0.00	4,781,136.00	4,779,412.80
-- 0.000%	05/12/2017										
Security Type Sub-Total							10,727,738.00	1.10	0.00	10,775,031.00	10,775,098.80
Managed Account Sub-Total							20,643,865.73	1.03	17,343.00	20,760,217.00	20,773,097.55
Securities Sub-Total							\$20,643,865.73	1.03%	\$17,343.00	\$20,760,217.00	\$20,773,097.55
Accrued Interest											\$17,343.00
Total Investments											\$20,790,440.55



Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$24,223,757	100.0	Total Fund	0.8	1.3	1.3	6.9	6.9	1.1	1.5	6.4	5.8	2.7	Jul-07
		Target Index											
		Actual Index	1.3	1.2	1.2	7.6	7.6	2.0	2.1	5.9	5.7	3.0	Jul-07
		60% MSCI AC World Index/ 40% Blbg BC Global Aggregate Index	1.4	1.6	1.6	7.5	7.5	2.3	2.6	6.4	6.1	3.3	Jul-07
		55% Russell 3000 Index/ 15% MSCI EAFE Index/ 30% Blbg BC Global Aggregate Index	1.1	-2.2	-2.2	5.7	5.7	1.5	1.9	5.8	5.2	3.3	Jul-07
		Consumer Price Index	1.4	0.0	0.0	7.9	7.9	3.5	4.4	9.1	8.3	4.9	Jul-07
			0.0	0.0	0.0	2.1	2.1	1.4	1.2	1.4	1.6	1.6	Jul-07
\$13,777,678	56.9	Global Equity	1.7	2.3	2.3	8.3	8.3	2.2	3.6	11.4	9.1	3.3	Jul-07
\$9,108,296	37.6	Domestic Equity	1.8	4.8	4.8	13.4	13.4	5.9	7.5	13.9	11.8	4.9	Jul-07
		Russell 3000 Index	2.0	4.2	4.2	12.7	12.7	6.4	8.4	14.7	12.9	6.7	
\$6,433,219	26.6	Fidelity Total Market Index Fund Premium Class	2.0	4.2	4.2	12.7	12.7	6.4	8.4	14.6	12.9	6.7	Jul-07
		Wilshire 5000 Index	1.9	4.3	4.3	13.0	13.0	6.2	8.1	14.5	12.9	6.8	
\$1,259,825	5.2	FPA Crescent Fund	1.2	4.5	4.5	10.3	10.3	3.9	4.8	NA	NA	8.2	Apr-12
		S&P 500 Index	2.0	3.8	3.8	12.0	12.0	6.5	8.9	14.7	12.8	12.6	
		60% Russell 2500 / 40% Blbg BC Global Credit	1.4	2.2	2.2	12.9	12.9	4.7	4.9	10.1	9.9	8.6	
		HFRI Equity Hedge (Total) Index	0.8	1.3	1.3	5.5	5.5	2.2	2.1	5.5	4.1	4.3	
\$1,415,252	5.8	FMI Common Stock Fund	1.8	7.9	7.9	20.2	20.2	5.8	6.0	NA	NA	10.0	Apr-12
		Russell 2500 Index	1.9	6.1	6.1	17.6	17.6	6.9	6.9	14.5	13.6	12.4	
\$4,669,382	19.3	International Equity	1.4	-2.2	-2.2	-0.4	-0.4	-4.1	-2.8	7.3	4.6	0.6	Jul-07
		MSCI AC World ex USA (Net)	2.6	-1.3	-1.3	4.5	4.5	-0.7	-1.8	5.0	2.9	-0.2	
		MSCI EAFE (Net)	3.4	-0.7	-0.7	1.0	1.0	0.1	-1.6	6.5	3.8	-0.3	
\$2,593,246	10.7	Dodge & Cox International Stock Fund	2.4	3.4	3.4	8.3	8.3	-2.0	-1.3	8.0	5.0	1.0	Jul-07
		MSCI AC World ex USA (Net)	2.6	-1.3	-1.3	4.5	4.5	-0.7	-1.8	5.0	2.9	-0.2	
\$2,076,136	8.6	Artisan International Institutional Fund	0.0	-8.4	-8.4	-9.4	-9.4	-6.6	-4.7	6.4	NA	3.3	Jul-11
		MSCI EAFE (Net)	3.4	-0.7	-0.7	1.0	1.0	0.1	-1.6	6.5	3.8	2.5	

Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$2,098,241	8.7	Total Flexible Capital	0.8	1.6	1.6	0.9	0.9	-1.0	0.0	4.3	3.6	2.7	Jul-07
		HFRI Fund of Funds Composite Index	1.1	1.1	1.1	0.7	0.7	0.2	1.3	3.5	2.4	0.6	
\$2,098,241	8.7	Forester Offshore A2, Ltd.	0.7	1.2	1.2	-1.5	-1.5	-0.6	1.5	5.7	4.4	4.0	Jul-07
		HFRI FOF: Strategic Index	0.6	0.2	0.2	-0.1	-0.1	-0.3	0.8	3.7	2.4	0.4	
\$5,297,937	21.9	Total Fixed Income	0.2	-2.0	-2.0	1.7	1.7	1.2	1.8	1.8	2.6	2.9	Jul-07
		Fixed Income Composite Index	0.1	-2.1	-2.1	1.8	1.8	1.3	2.0	1.5	2.5	3.3	
\$2,950,948	12.2	Vanguard Total Bond Market Index Fund Adm	0.3	-3.2	-3.2	NA	NA	NA	NA	NA	NA	-3.2	Oct-16
		Bblg Barc U.S. Aggregate Float Adjusted	0.2	-3.1	-3.1	2.8	2.8	1.6	3.0	2.2	3.6	-3.1	
\$2,346,989	9.7	Vanguard Short Term US Treasury Admiral Fund	0.1	-0.6	-0.6	1.2	1.2	0.9	0.9	0.7	NA	0.7	Dec-11
		Bblg Barc U.S. Treasury: 1-5 Year	0.0	-1.2	-1.2	1.0	1.0	1.0	1.0	0.8	1.6	0.8	
\$2,884,951	11.9	Total Real Assets	-1.6	2.6	2.6	23.8	23.8	-1.6	-5.8	-3.4	0.4	-5.0	Jul-07
		Real Assets Composite Index	0.8	3.1	3.1	18.5	18.5	-1.0	-4.3	-1.9	1.6	-0.5	
\$786,873	3.2	Vanguard Short-Term Inflation Protected Securities Adm. Fund	0.3	-0.2	-0.2	2.7	2.7	1.3	NA	NA	NA	0.3	Mar-14
		Bloomberg Barclays U.S. Treasury: 0-5 Year TIPS	0.3	-0.3	-0.3	3.1	3.1	1.4	0.6	0.5	1.5	0.4	
\$505,971	2.1	Nuveen Gresham Diversified Commodities Fund	1.9	4.1	4.1	10.9	10.9	-9.2	NA	NA	NA	-9.2	Jan-15
		Bloomberg Commodity Index	1.8	2.7	2.7	11.7	11.7	-8.2	-11.3	-9.0	-6.3	-8.2	
\$1,592,107	6.6	Van Eck Global Hard Assets I Fund	-3.6	3.5	3.5	43.7	43.7	-2.0	-8.1	NA	NA	-3.8	Apr-12
		S&P North American Natural Res Sector Index (TR)	0.7	5.0	5.0	30.9	30.9	-0.4	-3.7	1.3	2.9	0.4	

Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$164,950	0.7	Total Liquid Capital	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	Jul-07
\$164,950	0.7	Government Stif 15	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	Jul-07
		Citigroup 3 Month T-Bill	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	

\$139,443 0.6 Archstone Holdback

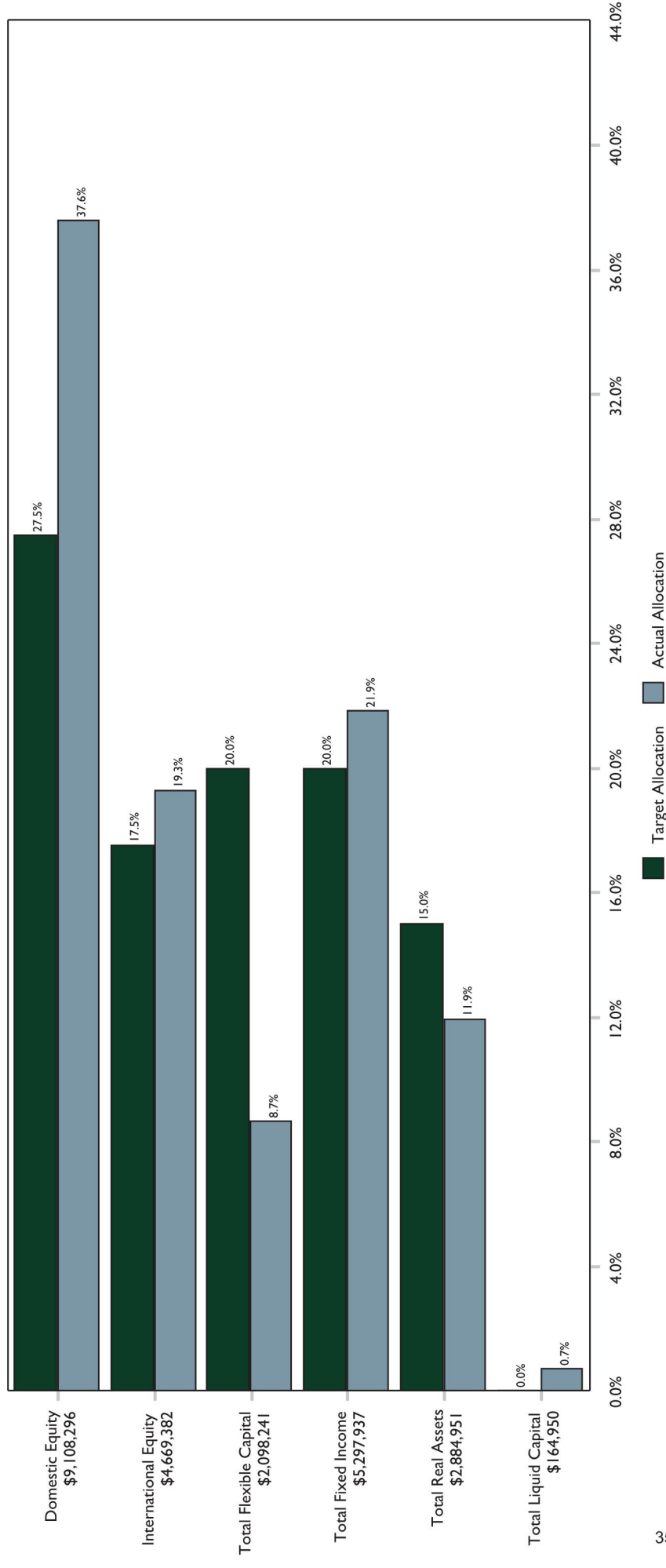
Please Note:

- Periods greater than one year are annualized
- Returns are net of investment management fees and gross of consulting fees unless otherwise stated
- Segment returns include performance of terminated managers unless otherwise stated
- Since inception returns are calculated from the first full month
- Actual Index calculated using manager allocations and index returns
- Performance and market values are subject to change based on statement availability from the investment manager/custodian
- Target Index (as of 9/01/2013): 27.5% Russell 3000 Index/ 17.5% MSCI ACWI ex USA/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Real Assets Composite Index
- Target Index (prior to 8/31/2011): 27.5% Russell 3000 Index/ 17.5% MSCI EAFE Net Index/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Real Assets Composite Index
- Target Index reflects the policy limitations regarding international constraints
- Real Assets Composite Index reflects manager allocations and index returns. Components have changed over time
- Fixed Income Composite Index (as of 12/01/2011): 50% Bloomberg Barclays U.S. Aggregate Index / 50% Bloomberg Barclays US Treasury: 1-5 Year Index
- Fixed Income Composite Index (prior to 11/30/2011): 50% Bloomberg Barclays Aggregate Index / 50% BOA Conv. Bond US Inv. Gr. Index
- Government Stif 15: Client specific cash performance not available. Citigroup Treasury Bill 3 Month Index is being reported
- Archstone Holdback is not included in total fund market value or performance; proceeds expected in June 2017
- Total Fund market value does not include Archstone redemption proceeds of \$2,788,857
- Forester Offshore A2, Ltd.: Market value estimated using preliminary manager reported performance

Asset Allocation - Current

As of December 31, 2016

	Asset Allocation (%)	Lower (%)	Target (%)	Upper (%)	Difference (%)
Total Fund	100.0	-	100.0	-	0.0
Domestic Equity	37.6	22.5	27.5	32.5	10.1
International Equity	19.3	15.0	17.5	20.0	1.8
Total Flexible Capital	8.7	15.0	20.0	25.0	-11.3
Total Fixed Income	21.9	15.0	20.0	25.0	1.9
Total Real Assets	11.9	10.0	15.0	20.0	-3.1
Total Liquid Capital	0.7	0.0	0.0	1.0	0.7



Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$26,872,758	100.0	Total Fund	0.8	1.3	1.3	6.9	6.9	1.1	1.5	6.4	5.8	2.7	Jul-07
		Target Index											
		Actual Index	1.3	1.2	1.2	7.6	7.6	2.0	2.1	5.9	5.7	3.0	Jul-07
		60% MSCI AC World Index/ 40% Blbg BC Global Aggregate Index	1.4	1.6	1.6	7.5	7.5	2.3	2.6	6.4	6.1	3.3	Jul-07
		55% Russell 3000 Index/ 15% MSCI EAFE Index/ 30% Blbg BC Global Aggregate Index	1.1	-2.2	-2.2	5.7	5.7	1.5	1.9	5.8	5.2	3.3	Jul-07
		Consumer Price Index	1.4	0.0	0.0	7.9	7.9	3.5	4.4	9.1	8.3	4.9	Jul-07
			0.0	0.0	0.0	2.1	2.1	1.4	1.2	1.4	1.6	1.6	Jul-07
\$13,777,678	51.3	Global Equity	1.7	2.3	2.3	8.3	8.3	2.2	3.6	11.4	9.1	3.3	Jul-07
\$9,108,296	33.9	Domestic Equity	1.8	4.8	4.8	13.4	13.4	5.9	7.5	13.9	11.8	4.9	Jul-07
		Russell 3000 Index	2.0	4.2	4.2	12.7	12.7	6.4	8.4	14.7	12.9	6.7	
\$6,433,219	23.9	Fidelity Total Market Index Fund Premium Class	2.0	4.2	4.2	12.7	12.7	6.4	8.4	14.6	12.9	6.7	Jul-07
\$1,259,825	4.7	Wilshire 5000 Index	1.9	4.3	4.3	13.0	13.0	6.2	8.1	14.5	12.9	6.8	
		FPA Crescent Fund	1.2	4.5	4.5	10.3	10.3	3.9	4.8	NA	NA	8.2	Apr-12
		S&P 500 Index	2.0	3.8	3.8	12.0	12.0	6.5	8.9	14.7	12.8	12.6	
		60% Russell 2500 / 40% Blbg BC Global Credit	1.4	2.2	2.2	12.9	12.9	4.7	4.9	10.1	9.9	8.6	
		HFRI Equity Hedge (Total) Index	0.8	1.3	1.3	5.5	5.5	2.2	2.1	5.5	4.1	4.3	
\$1,415,252	5.3	FMI Common Stock Fund	1.8	7.9	7.9	20.2	20.2	5.8	6.0	NA	NA	10.0	Apr-12
		Russell 2500 Index	1.9	6.1	6.1	17.6	17.6	6.9	6.9	14.5	13.6	12.4	
\$4,669,382	17.4	International Equity	1.4	-2.2	-2.2	-0.4	-0.4	-4.1	-2.8	7.3	4.6	0.6	Jul-07
		MSCI AC World ex USA (Net)	2.6	-1.3	-1.3	4.5	4.5	-0.7	-1.8	5.0	2.9	-0.2	
		MSCI EAFE (Net)	3.4	-0.7	-0.7	1.0	1.0	0.1	-1.6	6.5	3.8	-0.3	
\$2,593,246	9.7	Dodge & Cox International Stock Fund	2.4	3.4	3.4	8.3	8.3	-2.0	-1.3	8.0	5.0	1.0	Jul-07
		MSCI AC World ex USA (Net)	2.6	-1.3	-1.3	4.5	4.5	-0.7	-1.8	5.0	2.9	-0.2	
\$2,076,136	7.7	Artisan International Institutional Fund	0.0	-8.4	-8.4	-9.4	-9.4	-6.6	-4.7	6.4	NA	3.3	Jul-11
		MSCI EAFE (Net)	3.4	-0.7	-0.7	1.0	1.0	0.1	-1.6	6.5	3.8	2.5	

Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio		1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$2,097,829	7.8	Total Flexible Capital	0.7	1.6	1.6	0.9	0.9	-1.0	0.0	4.3	3.6	2.7	Jul-07
		HFRI Fund of Funds Composite Index	1.1	1.1	1.1	0.7	0.7	0.2	1.3	3.5	2.4	0.6	
\$2,097,829	7.8	Forester Offshore A2, Ltd.	0.6	1.2	1.2	-1.5	-1.5	-0.6	1.5	5.7	4.4	4.0	Jul-07
		HFRI FOF: Strategic Index	0.6	0.2	0.2	-0.1	-0.1	-0.3	0.8	3.7	2.4	0.4	
\$5,297,937	19.7	Total Fixed Income	0.2	-2.0	-2.0	1.7	1.7	1.2	1.8	1.8	2.6	2.9	Jul-07
		Fixed Income Composite Index	0.1	-2.1	-2.1	1.8	1.8	1.3	2.0	1.5	2.5	3.3	
\$2,950,948	11.0	Vanguard Total Bond Market Index Fund Adm	0.3	-3.2	-3.2	NA	NA	NA	NA	NA	NA	-3.2	Oct-16
		Bblg Barc U.S. Aggregate Float Adjusted	0.2	-3.1	-3.1	2.8	2.8	1.6	3.0	2.2	3.6	-3.1	
\$2,346,989	8.7	Vanguard Short Term US Treasury Admiral Fund	0.1	-0.6	-0.6	1.2	1.2	0.9	0.9	0.7	NA	0.7	Dec-11
		Bblg Barc U.S. Treasury: 1-5 Year	0.0	-1.2	-1.2	1.0	1.0	1.0	1.0	0.8	1.6	0.8	
\$2,884,951	10.7	Total Real Assets	-1.6	2.6	2.6	23.8	23.8	-1.6	-5.8	-3.4	0.4	-5.0	Jul-07
		Real Assets Composite Index	0.8	3.1	3.1	18.5	18.5	-1.0	-4.3	-1.9	1.6	-0.5	
\$786,873	2.9	Vanguard Short-Term Inflation Protected Securities Adm. Fund	0.3	-0.2	-0.2	2.7	2.7	1.3	NA	NA	NA	0.3	Mar-14
		Bloomberg Barclays U.S. Treasury: 0-5 Year TIPS	0.3	-0.3	-0.3	3.1	3.1	1.4	0.6	0.5	1.5	0.4	
\$505,971	1.9	Nuveen Gresham Diversified Commodities Fund	1.9	4.1	4.1	10.9	10.9	-9.2	NA	NA	NA	-9.2	Jan-15
		Bloomberg Commodity Index	1.8	2.7	2.7	11.7	11.7	-8.2	-11.3	-9.0	-6.3	-8.2	
\$1,592,107	5.9	Van Eck Global Hard Assets I Fund	-3.6	3.5	3.5	43.7	43.7	-2.0	-8.1	NA	NA	-3.8	Apr-12
		S&P North American Natural Res Sector Index (TR)	0.7	5.0	5.0	30.9	30.9	-0.4	-3.7	1.3	2.9	0.4	

Executive Summary

Town of Palm Beach Health Insurance Trust Preliminary as of December 31, 2016

Market Value	% of Portfolio	10.5	Total Liquid Capital	1 Mo.	3 Mo.	Fiscal YTD	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	7 YRS	Return Since	Inception Date
\$2,814,364				0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	Jul-07
\$164,950	0.6		Government Stif 15	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	Jul-07
			Citigroup 3 Month T-Bill	0.0	0.1	0.1	0.3	0.3	0.1	0.1	0.1	0.1	0.5	
\$2,649,414	9.9		Cash in Transit											
\$139,443	0.5		Archstone Holdback											

Please Note:

- Periods greater than one year are annualized
- Returns are net of investment management fees and gross of consulting fees unless otherwise stated
- Segment returns include performance of terminated managers unless otherwise stated
- Since inception returns are calculated from the first full month
- Actual Index calculated using manager allocations and index returns
- Performance and market values are subject to change based on statement availability from the investment manager/custodian
- Target Index (as of 9/01/2013): 27.5% Russell 3000 Index/ 17.5% MSCI ACWI ex USA/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Real Assets Composite Index
- Target Index (prior to 8/31/2011): 27.5% Russell 3000 Index/ 17.5% MSCI EAFE Net Index/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Real Assets Composite Index
- Target Index reflects the policy limitations regarding international constraints
- Real Assets Composite Index reflects manager allocations and index returns. Components have changed over time
- Fixed Income Composite Index (as of 12/01/2011): 50% Bloomberg Barclays U.S. Aggregate Index / 50% Bloomberg Barclays US Treasury: 1-5 Year Index
- Fixed Income Composite Index (prior to 11/30/2011): 50% Bloomberg Barclays Aggregate Index / 50% BOA Conv. Bond US Inv. Gr. Index
- Government Stif 15: Client specific cash performance not available. Citigroup Treasury Bill 3 Month Index is being reported
- Archstone Holdback is not included in total fund market value or performance; proceeds expected in June 2017
- Cash in Transit: Market value reflects proceeds from full liquidation of Archstone
- Forester Offshore A2, Ltd.: Market value estimated using preliminary manager reported performance

TOWN OF PALM BEACH

Town Council Meeting on: February 14, 2017

Section of Agenda

Committee Reports

Agenda Title

Report of the Ordinances, Rules, & Standards Committee Meeting of January 12, 2017

Presenter

Bobbie Lindsay, Chair

ATTACHMENTS:

- **Report of the Ordinances, Rules, & Standards Committee Meeting Held on January 12, 2017**

Section 1. Section 2-567. Relating to the Investment Advisory Committee i s

hereby amended at Subsection (g) to read as follows:

(g) Duties, obligations and functions.

- (1) The Investment Advisory Committee shall act in an advisory capacity and shall make recommendations to the Town Council on matters relating to the Town's investment policy. The Investment Advisory Committee shall advise the director of finance on the investment of the Town's surplus funds. All recommendations must be made within the constraints and limitations of F.S. § 218.415.
- (2) The Investment Advisory Committee shall also act as a citizens' oversight committee in regard to the one-cent sale surtax which, by law, commences on January 1, 2017. The committee, acting as a citizen oversight committee, shall serve to review the revenues and expenditures of surtax proceeds by the Town; and shall provide annually, a report to the Town Council relating to same.

Section 2. Severability.

If any provision of this Ordinance or the application thereof is held invalid, such invalidity shall not affect the other provisions or applications of this Ordinance which can be given effect without the invalid provisions or applications, and to this end the provisions of this Ordinance are hereby declared severable.

Section 3. Repeal of Ordinances in Conflict.

All other ordinances of the Town of Palm Beach, Florida, or parts thereof which conflict with this or any part of this Ordinance are hereby repealed.

Section 4. Codification.

This Ordinance shall be codified and made a part of the official Code of Ordinances of the Town of Palm Beach.

Section 5. Effective Date.

This Ordinance shall take effect immediately upon its passage and approval, as provided by law.

PASSED AND ADOPTED in a regular, adjourned session of the Town Council of the Town of Palm Beach on first reading this 10th day of January, 2017, and for second and final reading on this 14th day of February, 2017.

Gail L. Coniglio, Mayor

, Town Council President

, Council President Pro Tem

, Town Council Member

ATTEST:

, Town Council Member

Susan A. Owens, MMC, Town Clerk

, Town Council Member

Investment Advisory Committee Schedule 2017

Meeting Date:	Presentations/Business:
Friday, February 17, 2017 2:30 P.M. Town Council Chambers	OPEB Trust Investment Consultant PFM Asset Management Fiduciary Liability Policy Renewal Annual Report to the Town Council Actuarial report
Friday, May 19, 2017 2:30 P.M. Town Council Chambers	OPEB Trust Investment Consultant PFM Asset Management Florida League of Cities (FMIvT) Election of Chairman and Vice Chairman
Friday, August 18, 2017 2:30 P.M. Town Council Chambers	OPEB Trust Investment Consultant PFM Asset Management
Friday, November 17, 2017 2:30 P.M. Town Council Chambers (Fiscal Year End Presentations)	OPEB Trust Investment Consultant (Investment Policy and Asset Allocation Review) PFM Asset Management Florida League of Cities (FMIvT)