



## **Town of Palm Beach Investment Advisory Committee**

To: Mayor and Town Council

From: Mr. Christopher Storkerson, Chairman  
Investment Advisory Committee

Date: January 28, 2021

Subject: Annual Report to Mayor and Town Council

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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. The Committee was also charged with the oversight of the 1% Sales Surtax proceeds. A copy of the most recent quarterly report for the 1% Sales Surtax is attached.

### **Surplus Fund Investments**

The Town's surplus funds are managed by PFM Asset Management, the Florida Education Investment Trust (FEITF), and the Florida League of Cities Investment Trust, and the Town holds investments in Certificates of Deposit. The total balance of core investments as of November 30, 2020 was \$124,504,119.

### ***PFM Asset Management***

The Town's total investment with PFM represents approximately 24.6% of the total core portfolio. PFM 1-5 Year Actively Managed Portfolio one year return is 4.52%.

### ***Florida League of Cities Bond Funds***

The Florida League of Cities Investment Trust (FMIvT) has 31.9% of the Town investments; a total of \$39.7 million. \$27.2 million is with the Florida League of Cities Investment Trust 1 – 3 year and \$6 million is in 0-2 year bond fund and \$6.3 million is in the Intermediate Bond fund. The FMIvT 1-3 year fund has returned 3.25%, the 0-2 year fund returned 1.78% and the intermediate fund returned 5.08% for the one year period ended December 30, 2020.

### ***Certificate of Deposits***

The Town has \$12.5 million in Certificate of Deposits one year return of 1.53%. The current CD holdings have durations ranging from 0 - 12 months.

### **Short Term Investments**

The Town has approximately \$41.6 million in short term investments in the FL PALM (14.1%), a Bank United Money Market account (11.3%) and a TD Bank NOW account (7.9%) for a total of 33.3% of the portfolio. The one-year return of FLPalm is 1.01%.

Underground utility bond proceeds of \$38.9 million and the Marina Revenue Bond Proceeds of \$22 million are invested in the FL PALM money market investments.

### **Health Insurance (OPEB) Trust**

The Committee oversees the investment of the assets of the Health Insurance (OPEB) Trust. The asset classes and actual and policy target allocation for the Health Insurance Trust as of December 31, 2020, are shown below:

<b>Asset Class</b>	<b>Actual Allocation</b>	<b>Target Allocation</b>
<b>Domestic Equity</b>	40.2%	40%
<b>International Equity</b>	13.4%	10%
<b>Non-Traditional Assets</b>	2.9%	5%
<b>Fixed Income</b>	33.0%	35%
<b>Real Estate</b>	8.8%	10%
<b>Liquid Capital</b>	1.8%	0%

Attached is a summary of the investments in the Health Insurance (OPEB) Trust and the quarterly returns as of December 31, 2020. For the one-year period ending December 31, 2020 the fund returned 9.95%. The fiscal year ended September 30, 2020 return was 6.01%. The actuarial assumption from for this trust is 6%. The funding status as of September 30, 2020 is 152.66%.

The market value of the portfolio as of December 31, 2020 was \$38,377,947. AndCo Consulting oversees the investments for this trust. The current money managers and investment benchmarks for the trust are shown below:

#### **Manager**

Vanguard Russell 3000 Index  
American Funds Europacific Growth Fund  
Pear Tree Polaris Foreign Value  
Vanguard Developed Markets Index  
Crescent Direct Lending Levered Fund II  
Vanguard Total Bond Market Index Fund  
Met West Total Return Bond Fund  
PIMCO Diversified Income Bond Fund  
Intercontinental US REIF  
Principal Enhanced Property Fund  
Government STIF 15

#### **Investment Benchmark**

Russell 3000 Index  
MSCI AC World ex USA Net Index  
MSCI EAFE Net Index  
Vanguard Spliced Developed ex US Index  
HFRI Fund-of-Funds Strategic Index  
Barclays US Aggregate Index  
Barclays US Aggregate Index  
Bloomberg Barclays Global Credit  
NCREIF Fund Index  
NCREIF Fund Index  
Citigroup Treasury Bill 3 Month Index

**Cash Flow**

An updated cash flow report was presented to the Committee at their August 21, 2020, meeting. This report provided detailed information for all surplus fund cash balances and also provided cash flow forecasts for all funds through FY29. A copy of the report is attached.

**General Information**

The current members of the Investment Advisory Committee include:

<b>Name:</b>	<b>Term Expires</b>
Chris Storkerson, Chairman	May 2021
Kathleen Anderson	May 2022
David McDonald	May 2022
Alan Scheuer	May 2021
Michael Greenwald	May 2022

During the past 12 months the committee has held 4 meetings.

The next meeting of the Committee is scheduled for Friday, February 12, 2021 at 2:30pm. AndCo Consulting and PFM Asset Management will discuss the performance through December 31, 2020. A 2021 meeting schedule is attached to this report.



# 1% Sales Tax Quarterly Report

PRESENTATION TO INVESTMENT ADVISORY COMMITTEE

FEBRUARY 12, 2021



# Receipts

	Amount Received
<i>Total for FY2017</i>	<b>\$350,846.68</b>
<i>Total for FY2018</i>	<b>\$576,791.86</b>
<i>Total for FY2019</i>	<b>\$623,175.79</b>
<i>Total for FY2020</i>	<b>\$572,891.26</b>
November 2020	\$42,763.39
December 2020	\$43,680.52
<b>Total FYTD2021</b>	<b>\$86,443.91</b>
<b>Total Received Since 2017</b>	<b>\$2,210,149.50</b>



# Disbursements

- ▶ The Town Council approved using \$2.6 million of the one-cent surtax revenues for the undergrounding project at the July 12, 2017 Town Council meeting.
- ▶ The Town Council approved using the remaining one-cent surtax revenues for the undergrounding project at the December 10, 2019 Town Council meeting.

Investment Performance Review  
Period Ending December 31, 2020

# Town of Palm Beach OPEB Trust

Preliminary Results





<u>Equities</u>	<u>Index Returns (%)</u>					
	<u>Month</u>	<u>3 M</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Yr Ann</u>	<u>5 Yr Ann</u>
S&P 500 Total Return	3.84	12.15	18.40	18.40	14.18	15.22
Russell Midcap Index	4.69	19.91	17.10	17.10	11.61	13.40
Russell 2000 Index	8.65	31.37	19.96	19.96	10.25	13.26
Russell 1000 Growth Index	4.60	11.39	38.49	38.49	22.99	21.00
Russell 1000 Value Index	3.83	16.25	2.80	2.80	6.07	9.74
Russell 3000 Index	4.50	14.68	20.89	20.89	14.49	15.43
MSCI EAFE NR	4.65	16.05	7.82	7.82	4.28	7.45
MSCI EM NR	7.35	19.70	18.31	18.31	6.17	12.81

<u>Fixed Income</u>	<u>Index Returns (%)</u>					
	<u>Month</u>	<u>3 M</u>	<u>YTD</u>	<u>1 Year</u>	<u>Mod. Adj. Duration</u>	<u>Yield to Worst</u>
U.S. Aggregate	0.14	0.67	7.51	7.51	6.22	1.12
U.S. Corporate Investment Grade	0.44	3.05	9.89	9.89	8.84	1.74
U.S. Corporate High Yield	1.88	6.45	7.11	7.11	3.58	4.18
Global Aggregate	1.34	3.28	9.20	9.20	7.43	0.83

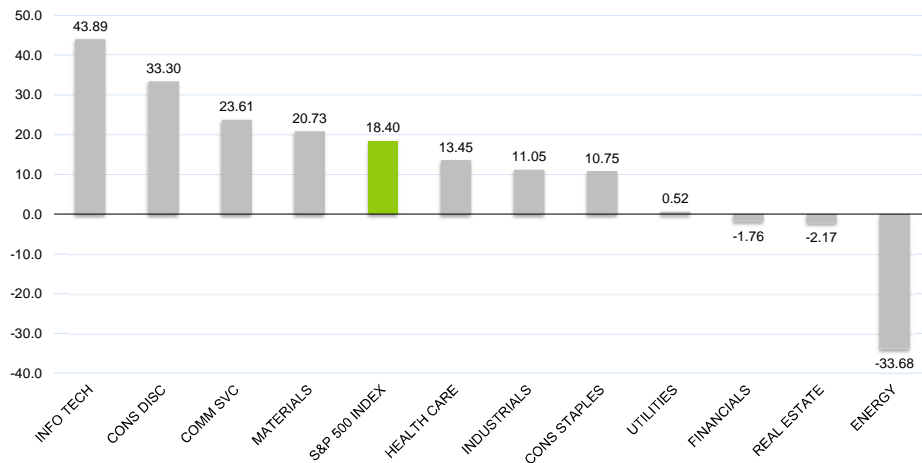
<u>Key Rates</u>	<u>Levels (%)</u>				
	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>	<u>12/31/16</u>
US Generic Govt 3 Mth	0.06	1.54	2.35	1.38	0.50
US Generic Govt 2 Yr	0.12	1.57	2.49	1.88	1.19
US Generic Govt 10 Yr	0.91	1.92	2.68	2.41	2.44
US Generic Govt 30 Yr	1.64	2.39	3.01	2.74	3.07
ICE LIBOR USD 3M	0.24	1.91	2.81	1.69	1.00
Euribor 3 Month ACT/360	(0.55)	(0.38)	(0.31)	(0.33)	(0.32)
Bankrate 30Y Mortgage Rates Na	2.87	3.86	4.51	3.85	4.06
Prime	3.25	4.75	5.50	4.50	3.75

Russell Indices Style Returns						
V	B	G		V	B	G
2.8	21.0	38.5	L	26.5	31.4	36.4
5.0	17.1	35.6	M	27.0	30.5	35.5
4.6	19.9	34.6	S	22.4	25.5	28.4
YTD				2019		

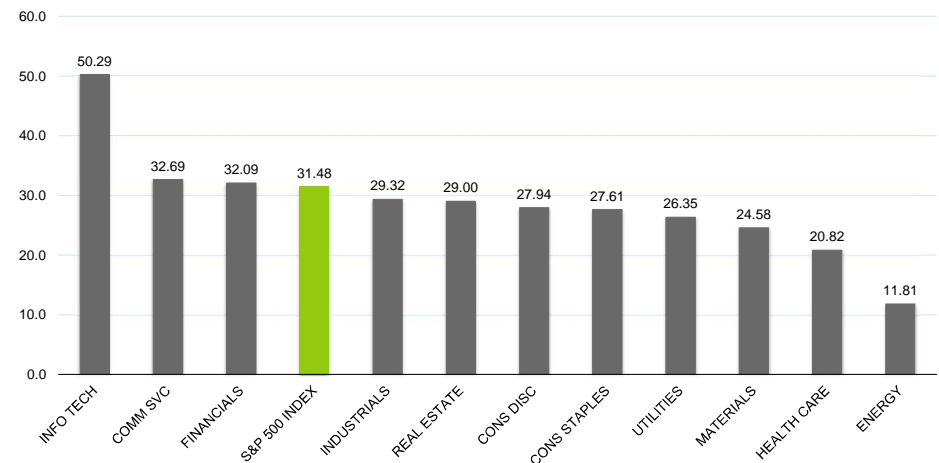
<u>Currencies</u>	<u>Levels</u>		
	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>
Euro Spot	1.22	1.12	1.15
British Pound Spot	1.37	1.33	1.28
Japanese Yen Spot	103.25	108.61	109.69
Swiss Franc Spot	0.89	0.97	0.98

<u>Commodities</u>	<u>Levels</u>		
	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>
Oil	48.52	55.66	49.98
Gasoline	2.25	2.59	2.26
Natural Gas	2.54	2.67	2.85
Gold	1,895.10	1,555.20	1,187.30
Silver	26.41	18.35	16.50
Copper	351.90	283.05	267.40
Corn	484.00	411.25	419.25
BBG Commodity TR Idx	166.63	172.00	159.72

YTD Sector Returns



2019 Sector Returns





Private Investments Reporting Status  
Total Private Investments  
As of December 31, 2020

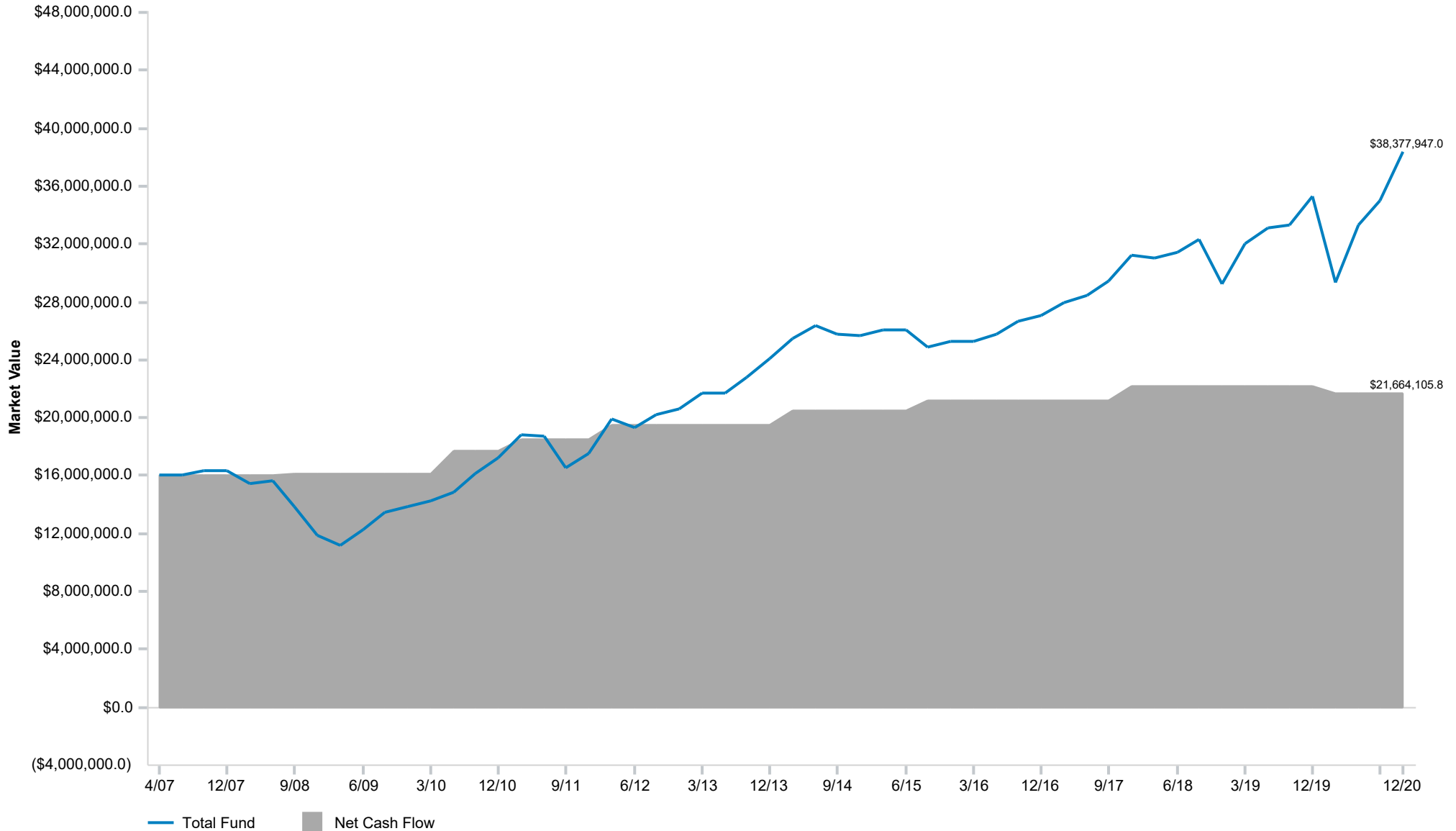
Manager	Activity Through	MV As Of	Most Recent Statement Date
<b>Real Estate</b>			
Intercontinental U.S. REIF	12/31/2020	12/31/2020	12/31/2020
Principal Enhanced Property Fund	12/31/20 - preliminary	12/31/20 - preliminary	9/30/2020
<b>Absolute Return</b>			
Crescent Direct Lending Levered Fund II	12/31/2020	9/30/2020	9/30/2020

Performance and valuations presented in this report are preliminary, with 97.1% of assets reporting finalized figures.  
NAVs for non-reporting investments are carried forward from the most recent valuation.



**Schedule of Investable Assets**  
**Total Fund**  
Since Inception Ending December 31, 2020

**Schedule of Investable Assets**

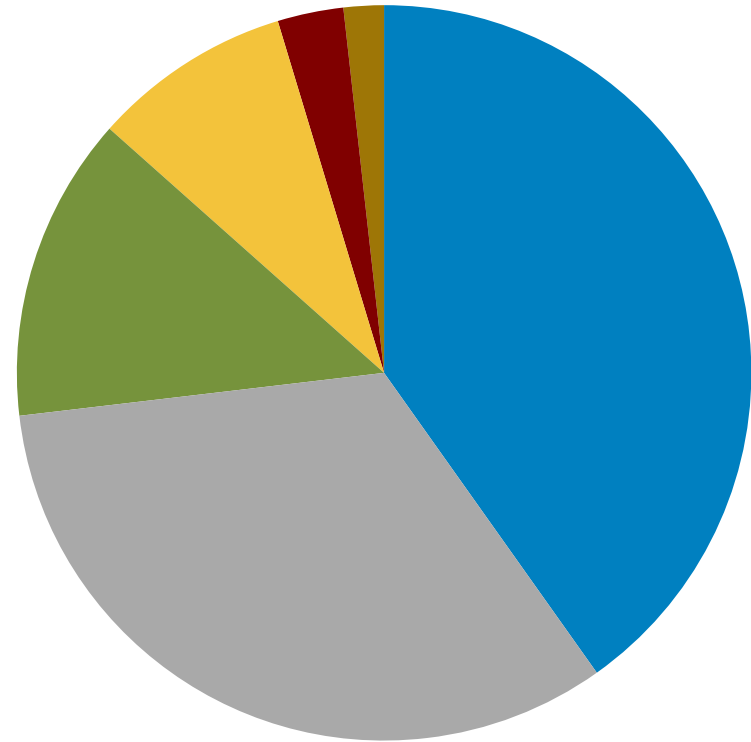
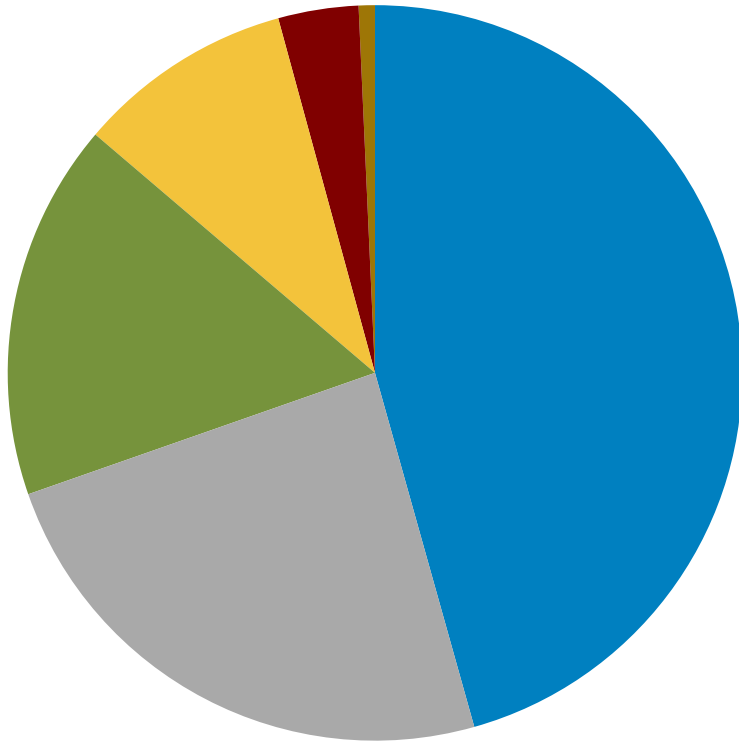


Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$
Inception	16,000,000	5,664,106	16,713,841	38,377,947



September 30, 2020 : \$34,980,700

December 31, 2020 : \$38,377,947

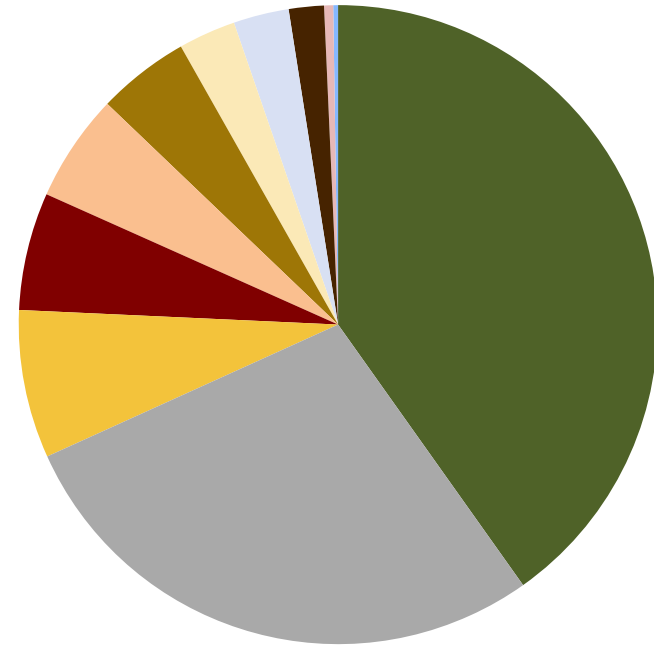
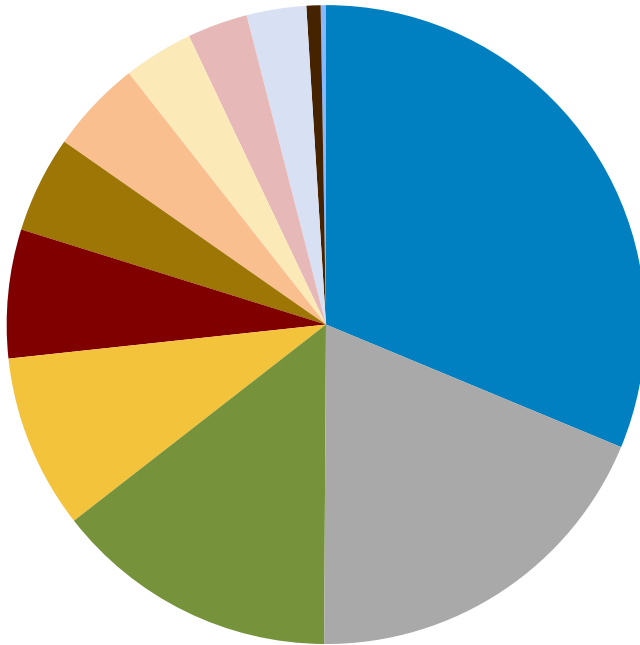


Allocation			Allocation		
	Market Value (\$)	Allocation (%)		Market Value (\$)	Allocation (%)
Domestic Equity	15,966,879	45.64	Domestic Equity	15,417,787	40.17
Total Fixed Income	8,396,052	24.00	Total Fixed Income	12,651,485	32.97
International Equity	5,798,879	16.58	International Equity	5,150,576	13.42
Total Real Estate	3,332,905	9.53	Total Real Estate	3,363,337	8.76
Total Non-Traditional Assets	1,235,476	3.53	Total Non-Traditional Assets	1,113,765	2.90
Total Liquid Capital	250,509	0.72	Total Liquid Capital	680,998	1.77



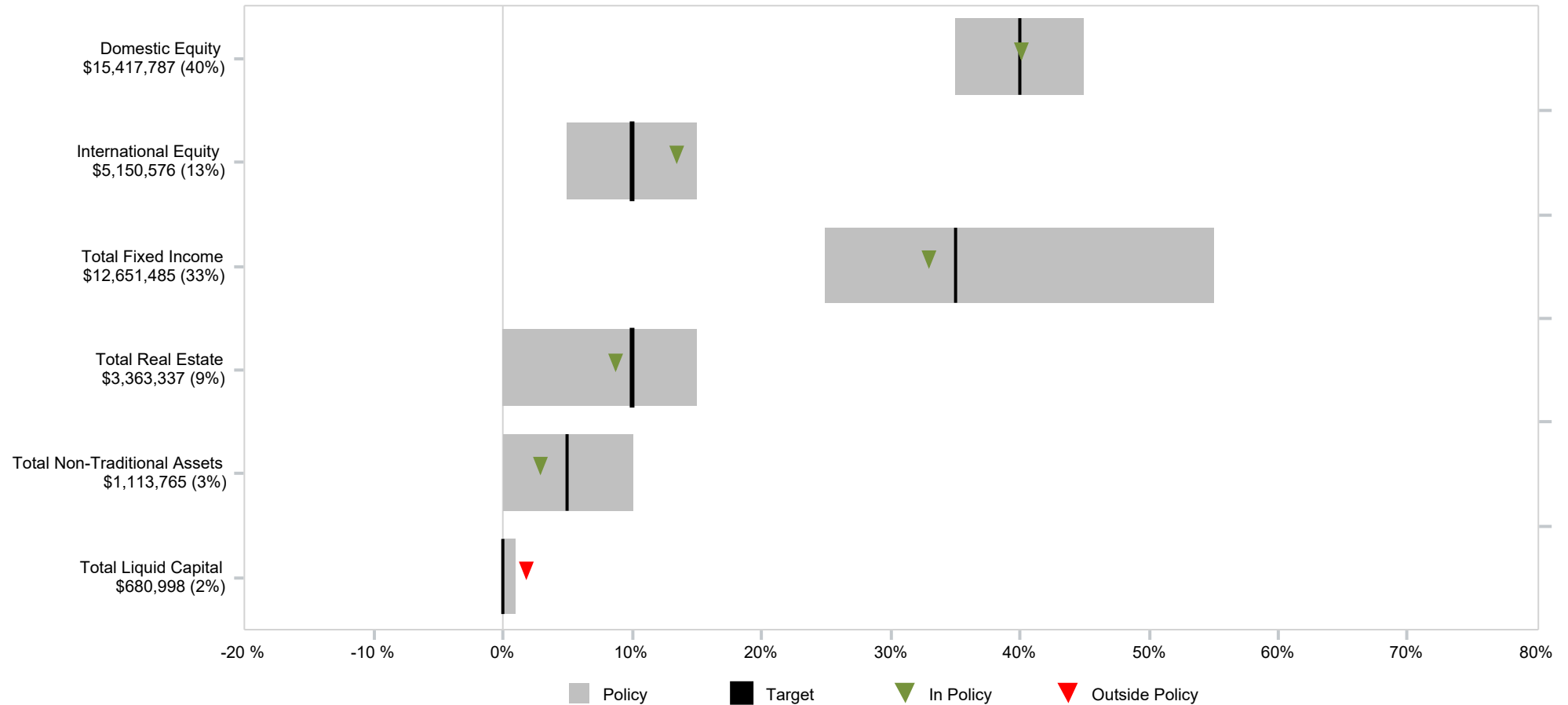
September 30, 2020 : \$34,980,700

December 31, 2020 : \$38,377,947



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Vanguard Inst Index (VINIX)	10,935,024	31.3	Vanguard Russell 3000 Idx (VRTTX)	15,417,787	40.2
Met West Total Return Bond Fund (MWTIX)	6,589,173	18.8	Met West Total Return Bond Fund (MWTIX)	10,766,834	28.1
Vanguard S&P MC 400 (VSPMX)	5,031,855	14.4	American Funds Europacific Growth R6 (RERGX)	2,879,366	7.5
American Funds Europacific Growth R6 (RERGX)	3,086,108	8.8	Intercontinental U.S. REIF	2,285,951	6.0
Intercontinental U.S. REIF	2,276,273	6.5	Pear Tree Polaris Foreign Value (QFVRX)	2,094,642	5.5
PIMCO Div Inc Bond Fund (PDIIX)	1,712,735	4.9	PIMCO Div Inc Bond Fund (PDIIX)	1,789,878	4.7
Pear Tree Polaris Foreign Value (QFVRX)	1,645,445	4.7	Crescent Direct Lending Levered Fund II	1,113,765	2.9
Crescent Direct Lending Levered Fund II	1,235,476	3.5	Principal Enhanced Property Fund	1,077,386	2.8
Vanguard Developoed Mkts Index (VTMGX)	1,067,326	3.1	Cash	680,998	1.8
Principal Enhanced Property Fund	1,056,632	3.0	Vanguard Developoed Mkts Index (VTMGX)	176,568	0.5
Cash	250,509	0.7	Vanguard Total Bond Index Adm (VBTIX)	94,773	0.2
Vanguard Total Bond Index Adm (VBTIX)	94,144	0.3	Vanguard S&P MC 400 (VSPMX)	-	0.0
Vanguard Russell 3000 Idx (VRTTX)	-	0.0	Vanguard Inst Index (VINIX)	-	0.0

### Executive Summary



### Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)
<b>Total Fund</b>	<b>38,377,947</b>	<b>100.0</b>	<b>N/A</b>	<b>100.0</b>	<b>N/A</b>
Domestic Equity	15,417,787	40.2	35.0	40.0	45.0
International Equity	5,150,576	13.4	5.0	10.0	15.0
Total Fixed Income	12,651,485	33.0	25.0	35.0	55.0
Total Real Estate	3,363,337	8.8	0.0	10.0	15.0
Total Non-Traditional Assets	1,113,765	2.9	0.0	5.0	10.0
Total Liquid Capital	680,998	1.8	0.0	0.0	1.0



**Asset Allocation & Performance**  
**Program Composite and Investment Performance**  
As of December 31, 2020

**Asset Allocation & Performance [Net of Fees] - Trailing Returns**

	Allocation		Performance(%)								
	Market Value \$	%	MTH	QTD	FYTD	YTD	1 YR	3 YR	5 YR	Inception	Inception Date
<b>Total Fund (Net)</b>	<b>38,377,947</b>	<b>100.0</b>	<b>2.92</b>	<b>9.71</b>	<b>9.71</b>	<b>9.95</b>	<b>9.95</b>	<b>7.47</b>	<b>8.28</b>	<b>4.58</b>	<b>05/01/2007</b>
Total Fund Policy			2.58	7.98	7.98	12.66	12.66	9.27	9.19	N/A	
<b>Domestic Equity</b>	<b>15,417,787</b>	<b>40.2</b>	<b>4.49</b>	<b>15.58</b>	<b>15.58</b>	<b>14.60</b>	<b>14.60</b>	<b>11.04</b>	<b>13.11</b>	<b>7.12</b>	<b>06/01/2007</b>
Vanguard Russell 3000 Idx (VRTTX)			4.49	14.66	14.66	N/A	N/A	N/A	N/A	N/A	
Russell 3000 Index			4.50	14.68	14.68	20.89	20.89	14.49	15.43	9.19	
<b>International Equity</b>	<b>5,150,576</b>	<b>13.4</b>	<b>7.19</b>	<b>23.42</b>	<b>23.42</b>	<b>15.59</b>	<b>15.59</b>	<b>6.41</b>	<b>8.83</b>	<b>3.65</b>	<b>06/01/2007</b>
Total International Equity Policy			5.43	17.08	17.08	11.13	11.13	5.38	8.30	2.70	
Pear Tree Polaris Foreign Value (QFVRX)	2,094,642	5.5	7.91	27.30	27.30	N/A	N/A	N/A	N/A	21.83	09/01/2020
MSCI EAFE (Net) Index			4.65	16.05	16.05	7.82	7.82	4.28	7.45	13.03	
MSCI EAFE Value Index (Net)			4.43	19.20	19.20	-2.63	-2.63	-1.24	4.20	13.73	
American Funds Europacific Growth R6 (RERGX)	2,879,366	7.5	6.76	20.71	20.71	26.06	26.06	N/A	N/A	14.14	07/01/2018
MSCI AC World ex USA (Net)			5.41	17.01	17.01	10.65	10.65	4.88	8.93	7.52	
MSCI EAFE Growth Index (Net)			4.87	13.09	13.09	18.29	18.29	9.67	10.50	12.13	
Vanguard Developed Mkts Index (VTMGX)	176,568	0.5	5.81	24.49	24.49	N/A	N/A	N/A	N/A	43.52	05/01/2020
Vanguard Spliced Developed ex U.S. Index (Net)			5.40	17.08	17.08	10.00	10.00	4.67	8.18	34.15	
<b>Total Non-Traditional Assets</b>	<b>1,113,765</b>	<b>2.9</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.09</b>	<b>3.09</b>	<b>4.35</b>	<b>4.67</b>	<b>3.58</b>	<b>07/01/2007</b>
Crescent Direct Lending Levered Fund II	1,113,765	2.9	0.00	0.00	0.00	2.61	2.61	N/A	N/A	7.72	03/01/2018

Returns for periods greater than one year are annualized. Returns are expressed as percentages.





**Asset Allocation & Performance**  
**Program Composite and Investment Performance**  
As of December 31, 2020

	Allocation		Performance(%)								
	Market Value \$	%	MTH	QTD	FYTD	YTD	1 YR	3 YR	5 YR	Inception	Inception Date
<b>Total Fixed Income</b>	<b>12,651,485</b>	<b>33.0</b>	<b>0.40</b>	<b>1.72</b>	<b>1.72</b>	<b>8.39</b>	<b>8.39</b>	<b>6.05</b>	<b>4.37</b>	<b>3.44</b>	<b>06/01/2007</b>
Fixed Income Composite Index			0.20	0.73	0.73	7.72	7.72	5.38	4.09	N/A	
Vanguard Total Bond Index Adm (VBTLX)	94,773	0.2	0.16	0.67	0.67	7.74	7.74	5.38	N/A	3.74	09/01/2016
Vanguard Spic Blmbg. Barc. US Agg Flt Adj (N)			0.13	0.71	0.71	7.75	7.75	5.44	4.53	3.82	
Blmbg. Barc. U.S. Aggregate Index			0.14	0.67	0.67	7.51	7.51	5.34	4.44	3.76	
Met West Total Return Bond Fund (MWTIX)	10,766,834	28.1	0.28	1.19	1.19	9.11	9.11	6.06	N/A	6.02	12/01/2017
Blmbg. Barc. U.S. Aggregate Index			0.14	0.67	0.67	7.51	7.51	5.34	4.44	5.35	
PIMCO Div Inc Bond Fund (PDIIX)	1,789,878	4.7	1.13	4.50	4.50	6.39	6.39	5.91	N/A	5.93	12/01/2017
Blmbg. Barc. Global Credit (Hedged)			0.73	3.11	3.11	7.53	7.53	6.13	6.32	6.13	
<b>Total Real Estate</b>	<b>3,363,337</b>	<b>8.8</b>	<b>0.91</b>	<b>0.91</b>	<b>0.91</b>	<b>0.71</b>	<b>0.71</b>	<b>N/A</b>	<b>N/A</b>	<b>5.26</b>	<b>04/01/2018</b>
NCREIF Fund Index-Open End Diversified Core (EW)			1.35	1.35	1.35	1.56	1.56	5.26	6.56	4.93	
Intercontinental U.S. REIF	2,285,951	6.0	0.43	0.43	0.43	0.81	0.81	N/A	N/A	5.56	04/01/2018
NCREIF Fund Index-Open End Diversified Core (EW)			1.35	1.35	1.35	1.56	1.56	5.26	6.56	4.93	
Principal Enhanced Property Fund	1,077,386	2.8	1.96	1.96	1.96	0.50	0.50	N/A	N/A	3.37	10/01/2018
NCREIF Fund Index-Open End Diversified Core (EW)			1.35	1.35	1.35	1.56	1.56	5.26	6.56	4.10	
<b>Total Liquid Capital</b>	<b>680,998</b>	<b>1.8</b>									
Cash	680,998	1.8									

Returns for periods greater than one year are annualized. Returns are expressed as percentages.



**Comparative Performance - IRR**  
**Private Investments**  
As of December 31, 2020

Comparative Performance - IRR						
	QTD	1 YR	3 YR	5 YR	Inception	Inception Date
Crescent Direct Lending Levered Fund II	0.00	3.35	N/A	N/A	6.92	03/13/2018
Intercontinental U.S. REIF	0.43	0.81	N/A	N/A	5.32	04/30/2018
Principal Enhanced Property Fund	1.96	0.50	N/A	N/A	3.37	10/01/2018



**Benchmark History**  
**Investment Policy Benchmarks**  
As of December 31, 2020

<b>Total Fund Historical Hybrid Composition</b>			
<b>Allocation Mandate</b>	<b>Weight (%)</b>	<b>Allocation Mandate</b>	<b>Weight (%)</b>
<b>Oct-2020</b>		<b>Jul-2007</b>	
Russell 3000 Index	40.00	Target Index	100.00
MSCI AC World ex USA (Net)	10.00		
Blmbg. Barc. U.S. Aggregate Index	35.00		
Bloomberg Barclays U.S. TIPS Index	5.00		
NCREIF Fund Index-Open End Diversified Core (EW)	10.00		
<b>Apr-2018</b>			
Russell 3000 Index	45.00		
MSCI AC World ex USA	15.00		
Blmbg. Barc. U.S. Aggregate Index	30.00		
NCREIF Fund Index-Open End Diversified Core (EW)	10.00		
<b>Oct-2017</b>			
Russell 3000 Index	45.00		
MSCI AC World ex USA	15.00		
Blmbg. Barc. U.S. Aggregate Index	37.50		
Bloomberg Barclays U.S. TIPS Index	2.50		
<b>Jan-2015</b>			
Russell 3000 Index	27.50		
MSCI AC World ex USA (Net)	17.50		
HFRI Fund of Funds Composite Index	20.00		
Real Assets Composite Index Attribution Hybrid	15.00		
Blmbg. Barc. U.S. Aggregate Index	10.00		
Blmbg. Barc. U.S. Treasury: 1-5 Year	10.00		
<b>Sep-2013</b>			
Russell 3000 Index	27.50		
MSCI AC World ex USA (Net)	17.50		
HFRI Fund of Funds Composite Index	20.00		
Real Assets Composite Index	15.00		
Fixed Income Composite Index	20.00		
<b>Dec-2011</b>			
Russell 3000 Index	27.50		
MSCI EAFE (Net) Index	17.50		
HFRI Fund of Funds Composite Index	20.00		
Real Assets Composite Index	15.00		
Fixed Income Composite Index	20.00		





**Benchmark History**  
**Investment Policy Benchmarks**  
As of December 31, 2020

**Fixed Income Composite Historical Hybrid Composition**

Allocation Mandate	Weight (%)
<b>Oct-2017</b>	
Blmbg. Barc. U.S. Aggregate Index	94.00
Bloomberg Barclays U.S. TIPS Index	6.00
<b>Dec-2011</b>	
Blmbg. Barc. U.S. Aggregate Index	50.00
Blmbg. Barc. U.S. Treasury: 1-5 Year	50.00
<b>Jan-2011</b>	
Blmbg. Barc. U.S. Aggregate Index	50.00
ICE BofAML Conv. Bonds, U.S. Investment Grade	50.00
<b>Jun-2007</b>	
Fixed Income Composite Index	100.00

**Total International Equity Policy**

Allocation Mandate	Weight (%)
<b>Jun-2007</b>	
MSCI EAFE (Net) Index	100.00
<b>Oct-2017</b>	
MSCI AC World ex USA	100.00

<b>Active Return</b>	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
<b>Alpha</b>	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
<b>Beta</b>	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
<b>Consistency</b>	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
<b>Distributed to Paid In (DPI)</b>	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
<b>Down Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
<b>Downside Risk</b>	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
<b>Excess Return</b>	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
<b>Excess Risk</b>	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
<b>Information Ratio</b>	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
<b>Public Market Equivalent (PME)</b>	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
<b>R-Squared</b>	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
<b>Return</b>	- Compounded rate of return for the period.
<b>Sharpe Ratio</b>	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
<b>Standard Deviation</b>	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
<b>Total Value to Paid In (TVPI)</b>	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
<b>Tracking Error</b>	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
<b>Treynor Ratio</b>	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
<b>Up Market Capture</b>	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.



AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

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# Cash Flow Report

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UPDATED WITH FORECAST FOR ALL TOWN SURPLUS FUNDS  
PRESENTATION TO INVESTMENT ADVISORY COMMITTEE

Jane Le Clainche, Finance Director  
TOWN OF PALM BEACH | AUGUST 21, 2020

To: Investment Advisory Committee  
From: Jane Le Clainche, Finance Director  
Date: August 21, 2020  
Re: Cash Flow Report – Updated with Forecast

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At the Investment Advisory Committee meeting held on November 15, 2019, a request was made by Mr. Alan Scheuer for information on cash flow for the Town's funds. The cash flow report was presented on January 31, 2020. The report presented at that time contained information on historic cash flows for the Town's Surplus Funds, and a cash flow projection for the OPEB Trust. This report updates the information to include FY20 with actuals to-date and estimates through September and it also contains a ten year forecast of cash flows for all Town funds.

As described in the last report, the Town's surplus funds are made up of the following Town of Palm Beach Funds:

The **General Fund** is used to account for most of the day-to-day operations of the Town, which are financed from property taxes, fees, licenses, permits, fines, intergovernmental and other general revenue. These revenues finance the administration, planning, zoning and building, fire-rescue, police and public works operations. It also includes transfers to the capital, coastal, risk insurance, OPEB trust, debt service and underground utility funds.

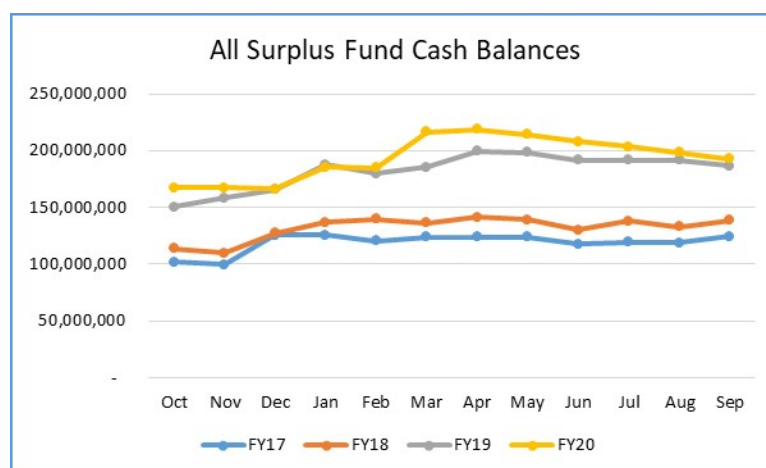
The **Capital Funds** account for all resources used for the acquisition and/or construction of capital infrastructure by the Town except those financed by the Enterprise and Internal Service Funds. These funds include the Capital Improvement Fund, the Coastal Fund, and the Worth Avenue Improvement Fund.

The **Internal Service Funds** are used to account for the Risk Management Self Insurance Fund, the Health Insurance Self-Insurance Fund, and the Equipment Replacement Fund.

**Enterprise Funds** are used to account for the operations of the Marina Enterprise Fund and the Par 3 Golf Course Enterprise Fund and the forecast includes the newly created Building Enterprise Fund which will begin operations on October 1, 2020.

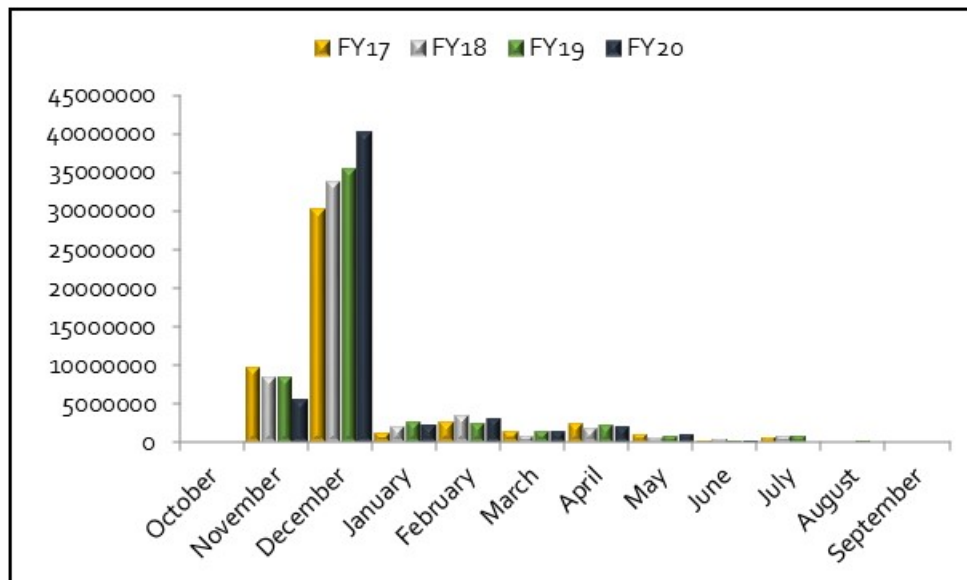
**Other Funds** include the Town-wide Underground Utility Project Fund.

I prepared tables detailing the monthly surplus funds cash flow for the above funds for the years FY17 – FY20. The details can be found in the appendix of this report. The chart below summarizes the surplus fund balances by month for each year.





Each fiscal year, the cash balances start off low and then increase throughout the year, beginning to decline during September through October. The reason for this trend is the timing of the receipt of ad valorem property taxes. The chart below shows the timing of the ad valorem receipts for FY17, FY18, FY19 and FY20.



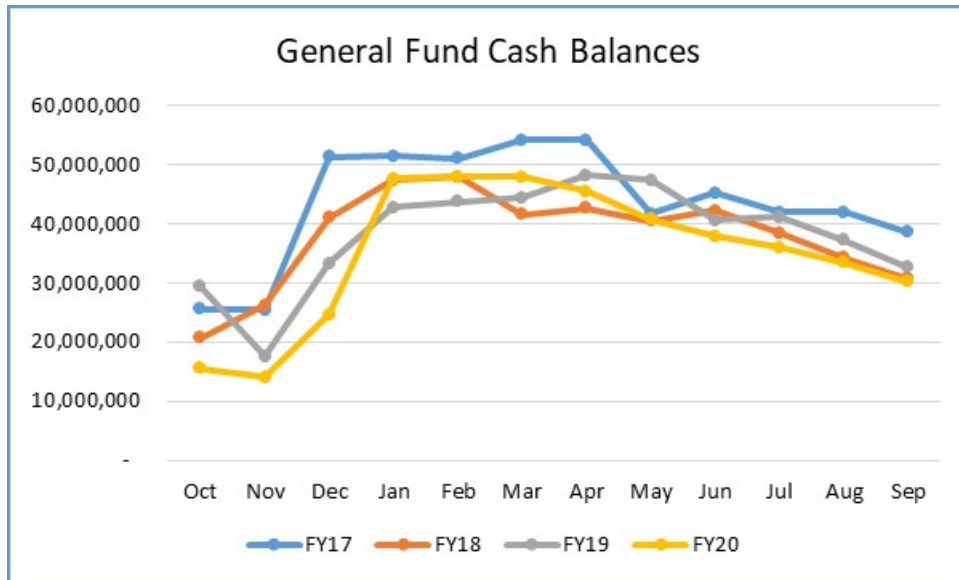
Most of the funds are received during November and December. The property tax bills go out in early November and a majority of property owners and mortgage companies pay the taxes in these two months to take advantage of the discount. The Town's General Fund budget for ad valorem property taxes for FY20 is \$55,979,439 representing 66.3% of total revenues.

You will also notice that the cash balances have been growing since FY17. This is due to a few factors. The Town's General Fund unassigned reserve has increased since FY17 from \$17.7 million to \$26.5 million, due to higher than expected revenue collections for permits and other revenues and cost cutting measures, which have resulted in year-end surpluses. In addition, the coastal protection fund and the capital improvement fund, have been building reserves in order to have funding available for future capital and coastal projects. The Townwide underground project General Obligation Bond proceeds (received in 2019) and the newly issued Marina bonds (received in 2020) added to the balances. These funds will be spent down over the next two years.

Separate charts for each fund type have been prepared to show the cash flow throughout the year.

### General Fund

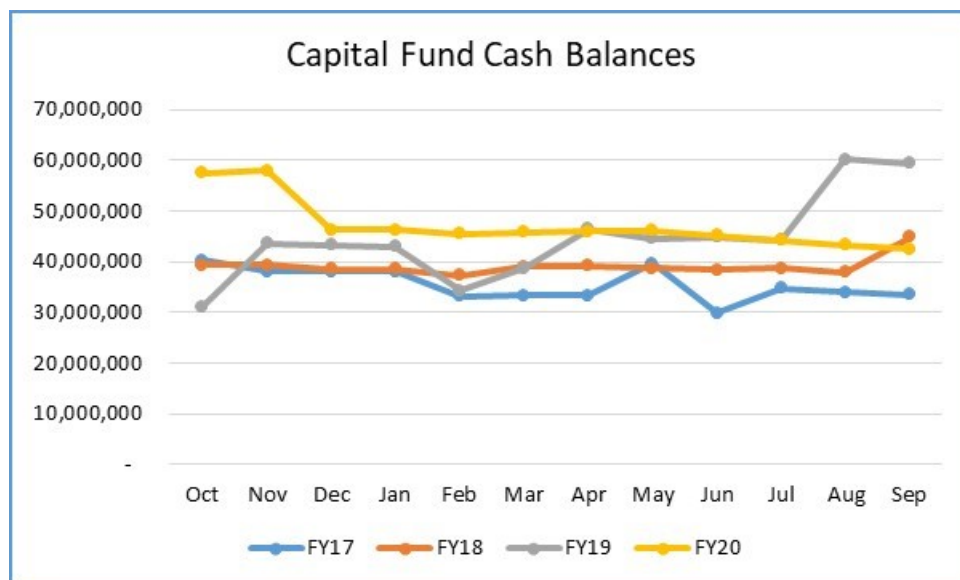
As indicated earlier, property taxes are received early in the fiscal year, then are spent down over the remaining course of the year. The chart on the following page shows a fairly consistent trend each of the last 4 years. The decline in FY19 and FY20 between October and November is due to the payment of the entire contribution to the Retirement fund. We recently began to pay the entire contribution in October to receive an actuarial credit for having the funds invested for the entire year. A portion of the General Fund cash balances can be, and are invested in longer term securities like CDs, the FMIvT investment funds and the PFM 1-5 year fund. The balance is in liquid money market accounts and the short term FMIvT fund.



## Capital Funds

As indicated earlier, the Capital Fund balances have increased in order to build up reserves for future projects. In FY20 we have constructed a coastal project and have spent some of these reserves. The coastal fund reserve declined by \$5.6 million. Grants for these projects are on a reimbursement basis so, payments to the contractors cause a decline initially until grant funds are received. The coastal fund projects occur every 4 years so the fund reserves will increase over the next 4 years until another coastal project is completed. The capital fund cash balance may decline by \$3.7 million for a total reduction of \$9.3 million in reserves for these funds. The Capital Fund will have a net decrease each year over the next 4 years as infrastructure projects are completed. These funds should maintain balances of approximately \$30 million until FY24 when the next coastal project is completed.

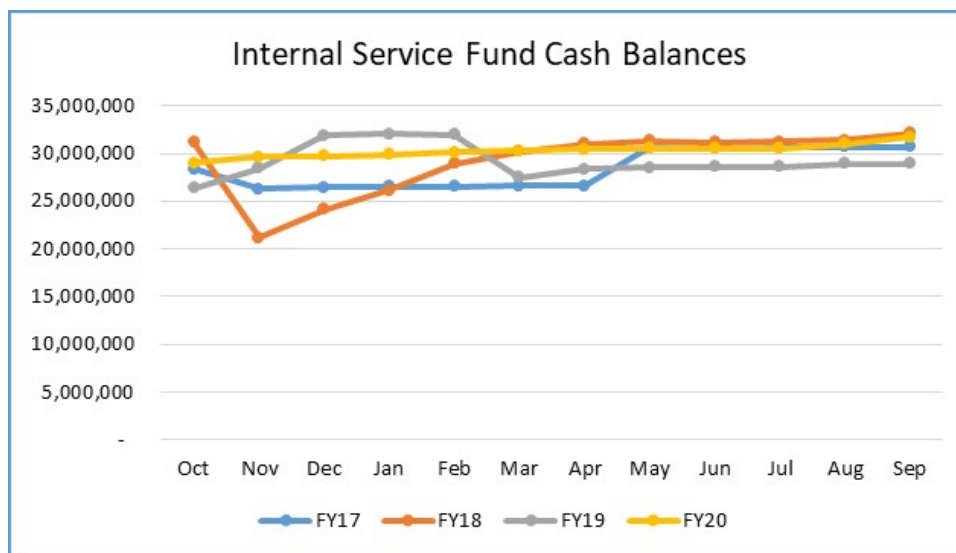
The ending September FY19 balance included reserves for the construction of the new Mandel Recreation Center that was completed in November. The remaining funds for this project were expended early in FY20.



## Internal Service Funds

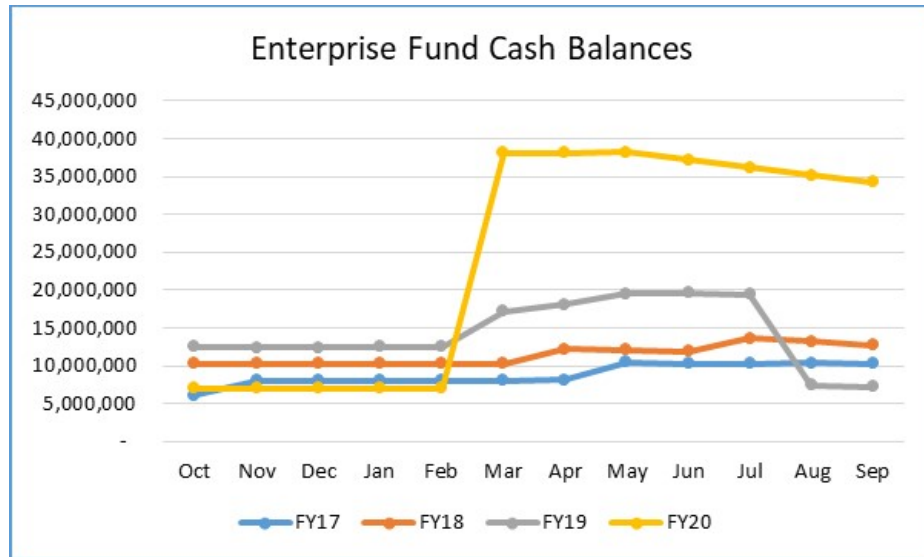
Internal Service Funds include the risk and health insurance reserves as well as the equipment replacement fund. The risk and health insurance reserves are maintained to guard against any deficiencies in the Town's insurance programs. These reserves have increased over the years and excess reserves of \$4.6 million in these funds were used in FY18 for the Town's portion of the construction of the Mandel Recreation Center.

The Equipment Replacement fund is intended to fund the replacement cost of existing equipment, vehicles and computers when they reach the end of their useful life. The reserve is funded annually using replacement cost depreciation as the calculation for the transfer. The reserves of this fund total \$15,834,189 at the end of FY19. Based on the FY20 budget for replacement equipment, these reserves are expected to increase by approximately \$1.2 million. A portion of the Internal service reserves are invested in longer term investments due to the stability of these reserves.



## Enterprise Funds

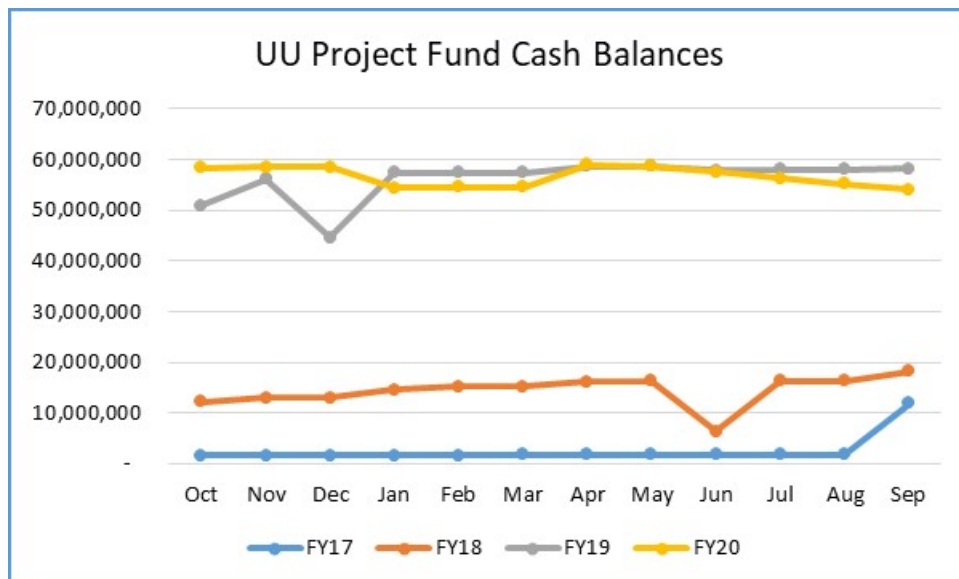
The Enterprise Funds comprise of the reserves of the Marina and Par 3 Golf Course. The Marina closed this spring for demolition and reconstruction and will re-open in the fall of 2021. A bank loan and reserves from the marina fund will be used to finance the \$39 million construction project. The spike in cash balances during FY20 was due to the funding of the marina loan. The Par 3 Golf Course reserves total \$905,140. The trend for these funds are shown below. Most of these reserves will be depleted over the next 2 years until the Marina re-opens. The Marina is expected to generate significantly more revenue with the new mega-yacht configuration and over time, the Marina reserves will increase.



The Enterprise Fund included Recreation activities prior to FY19. These activities were transferred to the General Fund and the Marina and Par 3 Golf Course were split into separate funds. The steep decline in reserve funds in FY19 represent the reallocation of the Recreation Center construction reserves to the Capital Improvement Fund.

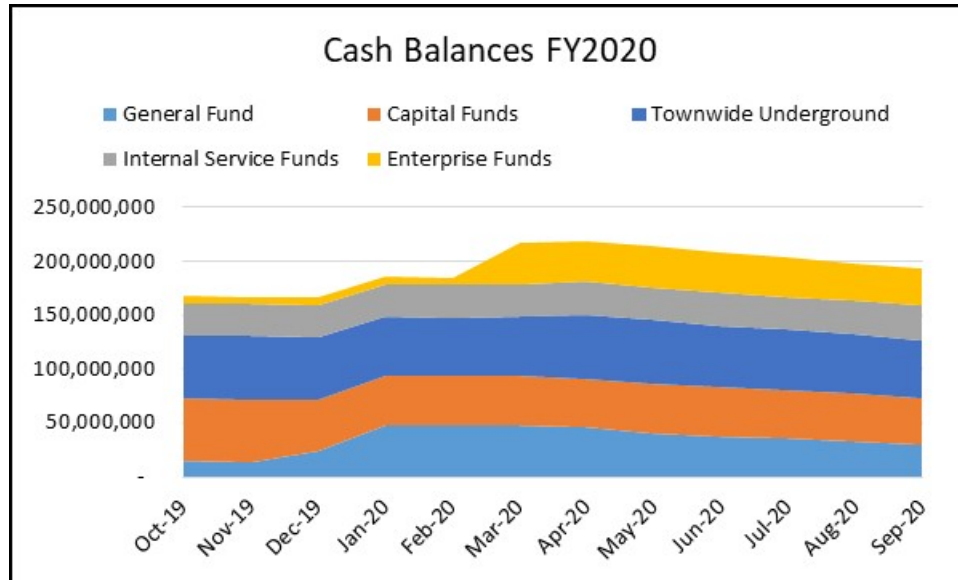
### Underground Utility Project Fund

The Underground Utility Project is a phased construction project that is expected to last until 2025-2026. Most of the funds represented in the chart below are the result of prepaid assessments prior to 2019. The increase in October 2019 represents the General Obligation bond proceeds that are being used for this project. These proceeds are invested with PFM and shown on the Monthly Investment Report separated from the surplus funds. The bond proceeds and the cash reserves will be drawn down over time. The bond proceeds will be used first, then the cash balances will be used for project expenses.



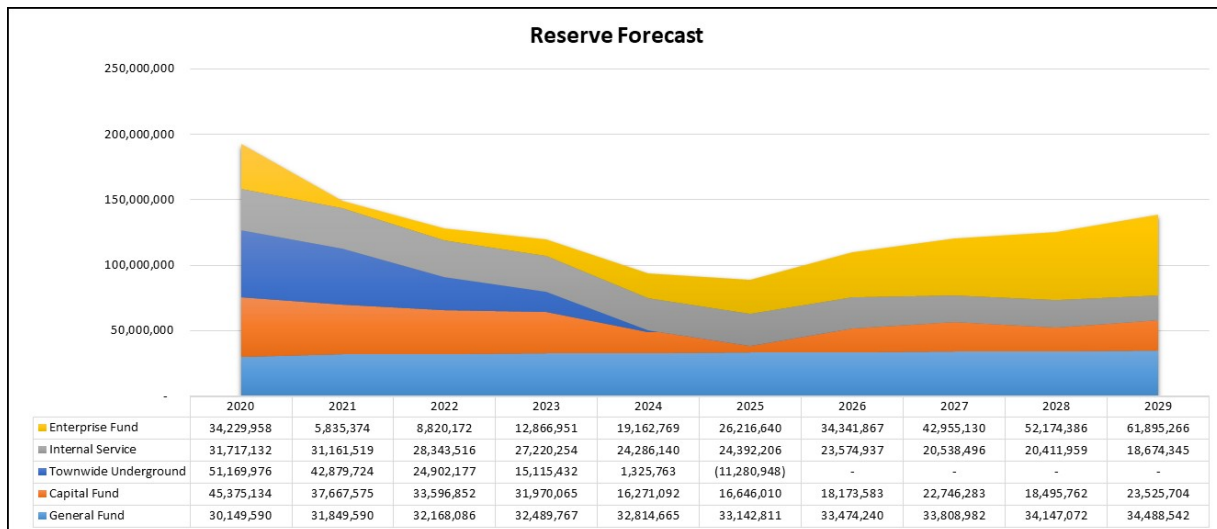
## Cash Balances for FY20

The chart below shows the cash balances by month for FY20, including estimates for June through September. The increase in cash balances for the enterprise fund is due to the marina construction loan secured earlier this year.



## 10-Year Reserve Forecast

Each year the Town prepares a Long Term Financial Plan. The recently updated plan includes the proposed FY21 budget and a forecast through FY29. As part of this process, a summary of estimated reserves/cash flow for all of the Town's funds was compiled with the exception of the Retirement Fund and OPEB Trust Fund. The results are summarized in the chart below.



The General Fund surplus funds are estimated to remain at consistent levels since the General Fund adopts a balanced budget and excess reserves are not anticipated. The Town uses excess reserves for one-time projects.

The Townwide Underground Utility project has large reserves due to the bond issued in FY19. We are in the process of spending down these proceeds and will issue additional debt in the next few years. The project is expected to have a deficit in FY25 of \$11 million. This deficit may be funded with other Town reserves in the future, which may draw down some of the cash reserve balances in FY25.

The capital funds as mentioned before include the Capital Improvement Fund and the Coastal Fund. The Capital Improvement Fund is building reserves for future projects. The North Fire-Rescue station will need to be rebuilt in FY24 and estimates show there will not be sufficient funds for this project in the Capital Fund. As you can see in FY24 through FY26, the Capital funds reserve balances drop to lower levels. The General Fund, the Marina Fund, other town excess reserves, or other financings may need to be secured to be used to cover this deficit. As mentioned earlier, the Coastal Fund is scheduled for another renourishment project in 2024. This project also accounts for the decline in the Capital fund reserves in FY24.

The Enterprise fund reserves include the Marina, the Par 3 Golf Course and beginning in FY21, the Building Enterprise Fund. The Marina, once it is reconstructed, is expected to produce large profits. The bond proceeds for the construction of the marina are included in the 2020 balances and are spent down in FY20 and FY21. In the future, the Town Council will decide on appropriate reserve levels and uses for excess reserves from the Marina.

The Internal Service funds reserve balances remain consistent during the forecast period. The Equipment Replacement Fund may have years when large capital equipment is purchased and expenses spike. The Risk and Health Insurance funds typically add to their reserves each year, but if there are larger than expected claims, there may be a small annual deficit.

### **Surplus Funds Outlook**

Due to the nature of the surplus funds, and the limits on the types of investments municipalities can use, longer term investments for most funds, must be fairly liquid. In the past, we used longer term CDs to achieve higher returns than could have been achieved with the other funds in the low interest rate environment we experienced for many years. When interest rates began to rise last year, the longer term bond funds experienced market losses and we moved a portion of these funds into shorter term, higher yielding investments. The Federal Reserve's response to the pandemic has brought interest rates to new lows. Low interest rates are expected for the foreseeable future. Currently the following investment funds have longer term (over 1 year) investment balances:

<i><b>Investment Fund</b></i>	<i><b>Balance @ 6/30/2020</b></i>	<i><b>% of Total Funds</b></i>
<i><b>PFM 1-5 year Fixed Income Fund</b></i>	\$25,596,875	12.48%
<i><b>FMIvT 1 – 3 year Fund</b></i>	\$27,218,409	13.27%
<i><b>FMIvT Intermediate Fund</b></i>	\$6,321,187	3.08%
<i><b>Total longer term investments</b></i>	<i><b>\$59,136,471</b></i>	<i><b>28.82%</b></i>

Even though these are longer term investments, the balances are liquid within a 15 – 30 day period. The current Certificate of Deposit investments have a term of less than one year and are not included in the numbers above. Due to the liquidity of these longer term funds, if we need to utilize the cash for a project or an unexpected expense, we can draw upon these funds in a fairly short period of time without penalty.



## Town of Palm Beach OPEB Trust

The OPEB (Other Post Employment Benefits) Trust accounts for Retiree Health Care Expenses. GASB has required these expenses be accounted for like retirement benefits with actuarial forecasts and investments set aside in a trust to pay future benefits. As of September 30, 2018, the OPEB trust was 107.4% funded based on an investment return assumption of 6%.

The trust is funded through a Town contribution and retiree contributions for health care. These funds are used to pay retiree health benefits and administration expenses. The estimated cash flow for the OPEB Trust for FY20 is shown below. FY20 will be the first year since inception in 2007, that a transfer from investments will be needed to fund expenses. Over time, the employer transfer has decreased due to the improved funded status of the plan. Now that the fund is over 100% funded, the employer contribution is lower than it had been in the past. This fund will now require transfers from the investments each year to fund expenses. In FY20, we will need to transfer \$1,500,000 from investments during the year. The actuary has provided a forecast of employer contributions and health benefit payments and investment balances for the next 10 years. Internally, we have prepared the forecast for retiree contributions and administrative expenses over the next 10 years to produce a 10 year cash flow projection that is shown on the following page. In each year there will be transfers from the investment accounts of the trust to fund the expenses of the plan.

Period Ending	Total FY2020	FQ1	FQ2	FQ3	FQ4
<b>Checking Account Balance as of October 1, 2019</b>	(702)	(702)	121,411	211,084	300,757
Estimated Receipts					
Employer Transfer	423,014	423,014	-	-	-
Other Receipts	109,426	109,426			
Transfer from Investments	1,500,000		500,000	500,000	500,000
Estimated Employee Contributions	1,400,000	350,000	350,000	350,000	350,000
<b>Total Estimated Receipts</b>	<b>3,432,440</b>	<b>882,440</b>	<b>850,000</b>	<b>850,000</b>	<b>850,000</b>
Estimated Expenditures					
Estimated Health Benefits	(2,833,600)	(708,400)	(708,400)	(708,400)	(708,400)
Estimated Expenses	(207,708)	(51,927)	(51,927)	(51,927)	(51,927)
<b>Total Estimated Expenditures</b>	<b>(3,041,308)</b>	<b>(760,327)</b>	<b>(760,327)</b>	<b>(760,327)</b>	<b>(760,327)</b>
<b>Estimated Quarter Ending Cash Balance available</b>	<b>390,430</b>	<b>121,411</b>	<b>211,084</b>	<b>300,757</b>	<b>390,430</b>

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
<b>Checking Account Balance as of October 1, 2019</b>	(702)	390,430	247,476	103,428	35,836	43,460	13,239	42,350	26,992	52,754	13,896
<b>Estimated Receipts</b>											
Employer Transfer	423,014	397,769	379,474	364,124	339,730	316,624	293,632	260,067	227,463	180,840	153,369
Estimated Retiree Contributions	1,400,000	1,491,000	1,584,188	1,681,140	1,782,008	1,886,612	1,995,092	2,107,216	2,222,903	2,344,940	2,485,636
Transfer from Investments	1,500,000	1,200,000	1,300,000	1,500,000	1,700,000	1,800,000	2,000,000	2,100,000	2,300,000	2,400,000	2,700,000
Excess Health Insurance Reimbursement	109,426										
<b>Total Estimated Receipts</b>	<b>3,432,440</b>	<b>3,088,769</b>	<b>3,281,957</b>	<b>3,560,614</b>	<b>3,846,132</b>	<b>4,026,342</b>	<b>4,311,716</b>	<b>4,500,848</b>	<b>4,782,970</b>	<b>4,972,403</b>	<b>5,366,476</b>
<b>Estimated Expenditures</b>											
Estimated Health Insurance Benefits	(2,833,600)	(3,017,784)	(3,206,396)	(3,402,627)	(3,606,785)	(3,818,503)	(4,038,067)	(4,265,006)	(4,499,155)	(4,746,158)	(5,030,927)
Estimated Expenses	(207,708)	(213,939)	(219,609)	(225,579)	(231,723)	(238,060)	(244,538)	(251,200)	(258,053)	(265,103)	(273,056)
<b>Total Estimated Expenditures</b>	<b>(3,041,308)</b>	<b>(3,231,723)</b>	<b>(3,426,005)</b>	<b>(3,628,206)</b>	<b>(3,838,508)</b>	<b>(4,056,563)</b>	<b>(4,282,605)</b>	<b>(4,516,206)</b>	<b>(4,757,208)</b>	<b>(5,011,261)</b>	<b>(5,303,984)</b>
<b>Estimated Cash Balance available on September 30, 2020</b>	<b>390,430</b>	<b>247,476</b>	<b>103,428</b>	<b>35,836</b>	<b>43,460</b>	<b>13,239</b>	<b>42,350</b>	<b>26,992</b>	<b>52,754</b>	<b>13,896</b>	<b>76,389</b>
<b>Estimated Amount of Transfer from Investment Accounts</b>	<b>1,500,000</b>	<b>1,200,000</b>	<b>1,300,000</b>	<b>1,500,000</b>	<b>1,700,000</b>	<b>1,800,000</b>	<b>2,000,000</b>	<b>2,100,000</b>	<b>2,300,000</b>	<b>2,400,000</b>	<b>2,700,000</b>
<b>Investment Balances Per Actuary</b>	<b>35,254,474</b>	<b>36,569,756</b>	<b>37,889,944</b>	<b>39,311,190</b>	<b>40,745,527</b>	<b>42,160,958</b>	<b>43,541,348</b>	<b>44,894,140</b>	<b>46,158,728</b>	<b>47,296,537</b>	<b>48,328,265</b>

## Appendix Cash Flow Tables

### FY17

Surplus Funds - Cash Balances by Month FY17							
Month/Year	General Fund	Capital Funds	Internal Service Funds	Enterprise Funds	Other Funds	Ending Period Balance	Investment Earnings
Oct-16	25,657,125	40,249,671	28,395,794	6,151,323	1,700,318	102,154,231	(48,313)
Nov-16	25,482,248	38,042,603	26,317,535	8,075,721	1,699,956	99,618,063	(332,747)
Dec-16	51,368,637	38,012,562	26,494,452	8,075,246	1,693,970	125,644,867	63,541
Jan-17	51,440,728	38,066,507	26,532,679	8,084,002	1,697,722	125,821,638	145,428
Feb-17	51,100,776	33,250,602	26,576,306	8,097,418	1,699,971	120,725,073	151,958
Mar-17	54,137,964	33,294,431	26,584,723	8,099,829	1,700,646	123,817,593	69,159
Apr-17	54,210,540	33,351,953	26,647,410	8,120,455	1,703,156	124,033,514	207,189
May-17	41,766,827	39,640,794	30,580,366	10,519,130	1,705,437	124,212,554	183,676
Jun-17	45,215,070	29,822,647	30,565,161	10,299,523	1,705,841	117,608,242	32,009
Jul-17	41,934,798	34,747,221	30,627,207	10,317,536	1,709,966	119,336,728	198,249
Aug-17	42,027,108	33,999,198	30,713,996	10,346,671	1,713,379	118,800,352	259,952
Sep-17	38,542,221	33,439,926	30,666,180	10,332,065	11,819,036	124,799,428	(80,855)
Total							849,246

### FY18

Surplus Funds - Cash Balances by Month FY18							
Month/Year	General Fund	Capital Funds	Internal Service Funds	Enterprise Funds	Other Funds	Ending Period Balance	Investment Earnings
Oct-17	20,759,884	39,408,350	31,181,904	10,334,228	12,182,247	113,866,613	72,651
Nov-17	26,259,469	39,400,083	21,162,859	10,323,180	12,959,354	110,104,945	(29,300)
Dec-17	41,054,814	38,637,109	24,172,394	10,328,613	12,971,989	127,164,919	105,300
Jan-18	47,377,095	38,582,338	26,150,856	10,295,888	14,649,317	137,055,494	(133,173)
Feb-18	47,970,230	37,222,738	28,931,887	10,281,493	15,140,656	139,547,004	(14,392)
Mar-18	41,639,737	38,958,072	30,181,344	10,324,336	15,150,835	136,254,324	223,796
Apr-18	42,730,148	39,142,747	31,044,554	12,186,734	16,197,439	141,301,622	74,173
May-18	40,512,784	38,783,735	31,367,054	12,155,805	16,285,621	139,104,999	312,605
Jun-18	42,233,998	38,442,011	31,161,030	11,948,598	6,327,919	130,113,556	118,964
Jul-18	38,453,758	38,649,769	31,285,375	13,631,435	16,340,867	138,361,204	223,737
Aug-18	34,242,590	37,872,623	31,378,486	13,270,244	16,392,252	133,156,195	307,542
Sep-18	30,773,685	44,853,533	32,168,797	12,762,144	18,173,275	138,731,434	118,997
Total							1,380,900

**FY19**

Surplus Funds - Cash Balances by Month FY19							
Month/Year	General Fund	Capital Funds	Internal Service Funds	Enterprise Funds	Other Funds	Ending Period Balance	Investment Earnings
Oct-18	29,432,414	31,149,177	26,343,284	12,495,027	50,969,791	150,389,693	222,591
Nov-18	17,588,585	43,588,764	28,458,876	12,388,406	56,130,696	158,155,327	352,470
Dec-18	33,310,493	43,372,481	31,869,032	12,421,378	44,561,115	165,534,499	461,113
Jan-19	42,768,722	43,052,355	32,060,382	12,478,142	57,406,459	187,766,060	713,174
Feb-19	43,720,265	34,235,094	31,960,492	12,504,532	57,369,538	179,789,921	217,481
Mar-19	44,494,943	38,748,694	27,504,137	17,158,794	57,499,848	185,406,416	611,800
Apr-19	48,164,090	46,445,750	28,358,481	18,071,245	58,616,043	199,655,609	384,242
May-19	47,357,646	44,559,093	28,521,768	19,588,413	58,747,592	198,774,512	686,732
Jun-19	40,612,827	44,869,803	28,653,997	19,610,812	57,883,725	191,631,164	589,305
Jul-19	41,130,493	44,282,724	28,659,632	19,474,031	58,010,546	191,557,426	251,577
Aug-19	37,265,608	60,163,549	28,933,628	7,451,439	58,132,874	191,947,098	792,603
Sep-19	32,626,109	59,371,570	28,902,566	7,257,312	58,252,003	186,409,560	135,356
Total							5,418,444

**FY20 –Forecasted Balances Highlighted**

Surplus Funds - Cash Balances by Month FY20							
Month/Year	General Fund	Capital Funds	Internal Service Funds	Recreation Funds	Other Funds	Ending Period Balance	Interest Earnings
Oct-19	15,545,719	57,487,875	29,000,148	7,028,979	58,367,464	167,430,185	442,960
Nov-19	14,132,515	57,940,721	29,666,311	7,000,541	58,466,533	167,206,621	177,514
Dec-19	24,646,347	46,380,778	29,707,785	7,010,779	58,609,094	166,354,783	264,220
Jan-20	47,697,902	46,363,124	29,923,290	7,040,326	54,436,970	185,461,612	588,069
Feb-20	47,895,931	45,542,658	30,121,903	7,076,739	54,514,844	185,152,075	787,586
Mar-20	47,981,905	45,781,434	30,292,769	38,124,993	54,591,833	216,772,934	621,898
Apr-20	45,546,954	45,980,384	30,435,432	38,170,358	58,951,527	219,084,655	512,334
May-20	40,770,816	46,093,099	30,515,536	38,199,992	58,681,913	214,261,356	292,947
Jun-20	37,916,859	45,171,237	30,546,052	37,199,992	57,508,275	208,342,414	
Jul-20	36,021,016	44,267,812	30,576,598	36,199,992	56,358,109	203,423,527	
Aug-20	33,499,545	43,382,456	31,035,247	35,199,992	55,230,947	198,348,186	
Sep-20	30,149,590	42,514,807	31,717,132	34,229,958	54,126,328	192,737,815	
Total	421,805,099	566,906,385	363,538,202	292,482,641	679,843,837		3,687,528

**Town of Palm Beach  
Reserve Balances  
Fiscal Years 2015 – 2019**

<b>Fund</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General Fund	\$ 22,267,051	\$ 21,615,082	\$ 17,716,419	\$ 23,063,128	\$ 26,540,203
Compensated Absence (GF)	\$ 3,168,789	\$ 3,061,180	\$ 3,210,518	\$ 3,129,714	\$ 3,094,888
Townwide Underground Utility Fund	\$ -	\$ -	\$ (1,172,618)	\$ 6,672,736	\$ 63,944,516
Equipment Replacement Fund	\$ 13,304,714	\$ 14,918,663	\$ 15,889,600	\$ 16,390,299	\$ 17,678,027
Recreation	\$ 179,645	\$ 169,291	\$ 777,250	\$ -	\$ -
Enterprise Fund Recreation ERF	\$ 584,638	\$ 583,475	\$ 651,225	\$ -	\$ -
Dock Replacement	\$ 2,880,038	\$ 3,356,781	\$ 3,801,256	\$ 2,587,882	\$ 3,980,807
Par 3 M&I Reserve	\$ 351,246	\$ 388,132	\$ 442,910	\$ -	\$ -
Tennis M&I reserve	\$ 46,320	\$ 53,852	\$ 61,142	\$ 71,610	\$ -
Par 3 M&I	\$ 147,602	\$ 327,485	\$ 287,426	\$ 872,468	\$ 992,341
Par 3 Equipment Replacement				\$	\$ 524,641
Donation Fund	\$ 564,368	\$ 1,180,331	\$ 3,018,697	\$ 1,666,199	\$ 1,490,547
Debt Service	\$ 1,567,384	\$ 955,441	\$ 1,569,976	\$ 1,566,248	\$ 1,381,353
Capital Improvement	\$ 5,898,531	\$ 5,506,265	\$ 6,639,003	\$ 7,376,553	\$ 14,555,269
Coastal Protection Fund	\$ 24,072,085	\$ 13,810,648	\$ 19,661,966	\$ 27,916,610	\$ 39,769,059
2013 ACIP Fund	\$ 34,967,926	\$ 20,196,064	\$ 12,095,772	\$ 7,286,574	\$ 1,601,603
Health Fund	\$ 5,740,869	\$ 6,507,339	\$ 6,904,823	\$ 5,441,578	\$ 6,789,493
Risk Fund	\$ 8,071,236	\$ 8,458,781	\$ 7,578,199	\$ 4,807,846	\$ 5,212,442
Health - OPEB Trust	\$ 26,629,096	\$ 28,401,183	\$ 31,275,719	\$ 32,682,812	\$ 32,812,872
Pension Funds	\$ 190,764,490	\$ 194,010,680	\$ 209,822,728	\$ 219,743,891	\$ 226,859,639
<b>Total</b>	<b>\$ 341,206,028</b>	<b>\$ 323,500,673</b>	<b>\$ 340,232,011</b>	<b>\$ 361,276,148</b>	<b>\$ 447,227,700</b>