

Investment Performance Review
Period Ending September 30, 2023

Town of Palm Beach OPEB Trust

Preliminary Results



3rd Quarter 2023 Market Environment



The Economy

- The US Federal Reserve Bank (the Fed) continued to increase interest rates during the quarter with an additional 0.25% increase in the Fed Funds rate in late July, followed by a pause at the September Federal Open Market Committee (FOMC) meeting. The Fed continues to prioritize fighting high inflation with the press release from the July meeting detailing the FOMC's commitment to returning inflation to its 2% target rate. In addition, the committee members have agreed to continue reducing the Fed's balance sheet by reducing holdings in Treasuries, agency debt and agency mortgage-backed securities.
- The US labor market continues to show signs of weakening. Private payroll growth for the month of September showed growth well below estimates, coming in at just 89,000 new jobs for the month.
- Capital market yields have risen to their highest levels in over a decade as market participants are demanding a greater premium on long-term Treasury securities. The 30-year Treasury yield jumped 0.88% during the quarter signaling that market participants are anticipating higher levels of both inflation and policy interest rates.
- The Atlanta Fed's GDPNow model's projected third-quarter GDP growth has been revised upward from the original estimates of 3.5% in July to 4.9% at the end of September. The main drivers of the upward revisions came in August upon the release of personal consumption and private domestic investment data from the US Bureau of Labor and Statistics.

Equity (Domestic and International)

- US equities moved broadly lower during the third quarter. The selloff was agnostic to size and style as all major domestic equity benchmarks finished the quarter with losses in the mid to high single-digit territory. After its encouraging performance in the second quarter, the large-cap S&P 500 benchmark fell by -3.3% for the third quarter. Small-cap stocks faced a deeper drawdown over the period with the Russell 2000 returning -5.1%. Contributing factors to this quarter's performance were, unsurprisingly, related to interest rates and the overall level of inflation in the economy.
- International stocks also came under pressure during the third quarter, reversing their positive results from last quarter. China continues to show signs of weakness as the cost of debt increases globally. Given China's large weight in the MSCI Emerging Market Index and its economic influence in the region, future prospects of growth for southeast Asia will be largely dependent on the strength of future growth for the country.

Fixed Income

- While the US economy continues to see signs of disinflation, many of the Fed's preferred gauges continue to show inflation above their long-term target. During the quarter, the Fed maintained its inflation-fighting policy stance, increasing interest rates by 0.25% in July but opting to pause in September. The additional rate hike in July along with the possibility that additional rate hikes could occur later in the year, drove capital market yields sharply higher during the quarter.
- The mortgage-backed sector was the worst-performing sector during the quarter as the 10-year Treasury yield hit its highest level in 16 years. US Government securities were the worst-performing sector during the previous 12 months. US Treasuries have lagged corporate and securitized sectors as yields at longer maturities rose significantly and credit availability has tightened since last year.
- High-yield corporate bonds have held up better than higher-quality issues, aided by narrowing credit spreads, higher coupons, and generally shorter maturities. High-yield bonds were the best-performing segment of the domestic bond market during the quarter and on a trailing 12-month basis.

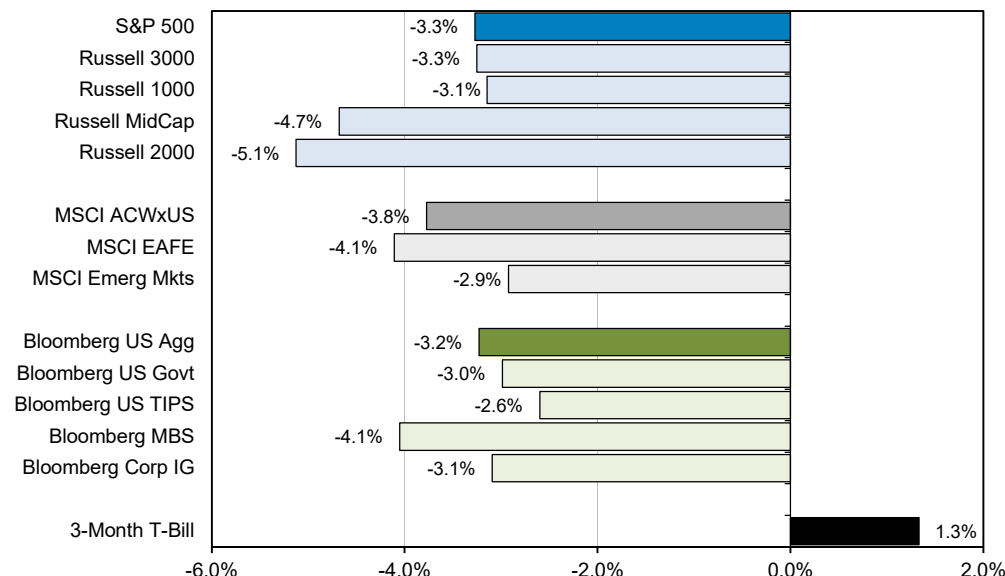
Market Themes

- Economies around the globe continue to struggle with taming inflation. Markets are beginning to experience pressures brought on by higher costs of debt and pricing in expectations of higher interest rates for longer than originally anticipated. US Treasury yields on the long end of the par curve have risen sharply which threatens to undercut the economy by markedly raising borrowing costs.
- While energy costs have subsided from the initial shock of the Russian invasion in 2022, oil prices have been driven higher in recent months due to cuts in global production. This was soon followed by consumer-led demand destruction and expectations are that prices could soon subside.
- Despite concerns about slowing economic growth, lower-quality corporate bonds continue to outperform the government sector.
- US and international equity markets have struggled to maintain their recovery after last year's disappointment. Expectations that inflation would continue to moderate and central banks would slow the pace of their monetary tightening cycles have not taken shape as quickly as originally anticipated, leaving the consumer disadvantaged by higher price levels, higher interest rates, and weak availability of credit.

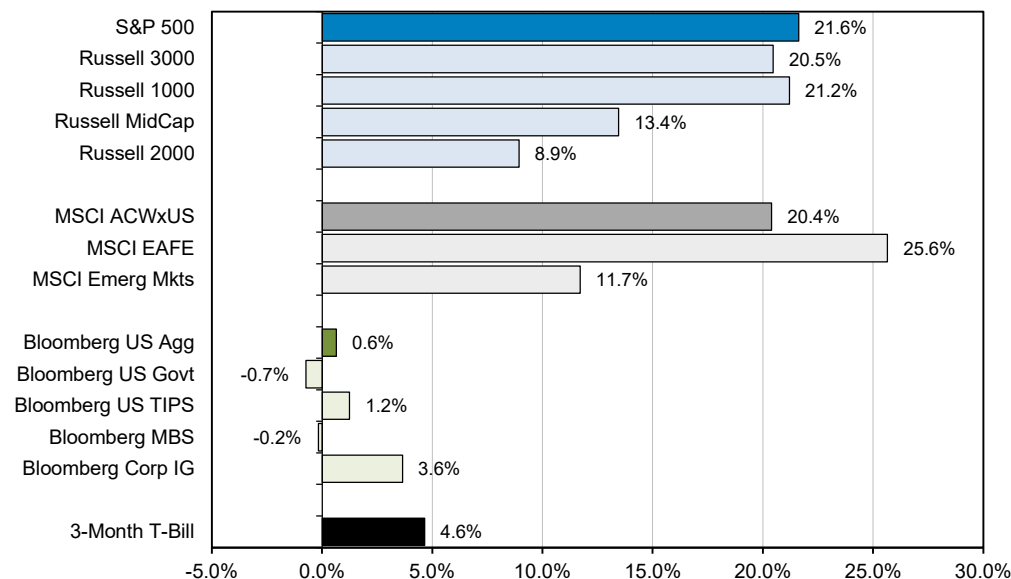


- Domestic equity markets struggled in the third quarter, reverting from the performance posted in the first half of 2023. Strong performance from domestic equities markets earlier in the year was enough to overshadow the third quarter's negative returns, leading to positive results for most domestic equity benchmarks on a trailing one-year basis. Macroeconomic challenges faced by the US economy for the past several quarters finally weighed on market participants, leading to dismal market returns. For the period, the Russell 1000 large-cap benchmark returned -3.1 % versus -4.7% for the Russell Mid Cap Index and -5.1% for the Russell 2000 small-cap index.
- International developed and emerging market equities also delivered disappointing results, in line with their domestic counterparts. Europe continues to face geopolitical risks related to the conflict in Ukraine and rising interest rates. However, inflation has eased somewhat due to higher rates and more manageable energy prices. The developed-market MSCI EAFE Index returned -4.1% for the quarter and the MSCI Emerging Markets Index fell by -2.9%.
- The domestic bond market continued its decline during the quarter due to the Fed's decision to hike policy rates an additional 0.25% and a re-shaping of the Treasury yield curve. The Bloomberg US Aggregate Index returned -3.2% for the quarter and investment-grade corporate bonds returned a similar -3.1%.
- Over the one-year trailing period, US equity markets were positive as the disappointing performance from much of 2022 rolled off. The S&P 500 Index climbed 21.6% for the trailing 12 months. The weakest relative performance for the year was the Russell 2000 Index, which still rose 8.9% over the last 12 months.
- International markets also shook off their poor 2022 performance. Over the trailing one-year period, the MSCI EAFE Index was the best-performing equity benchmark, returning 25.6% while the MSCI Emerging Markets Index posted a more modest 11.7%.
- Bond markets were generally flat over the previous 12 months. Investment-grade corporate bonds were the best-performing sector, posting a return of 3.6%. Meanwhile, Treasuries were negative, returning -0.7% over the previous 12 months. The bellwether fixed-income benchmark, the Bloomberg US Aggregate Index, returned a small, positive 0.6%.

Quarter Performance



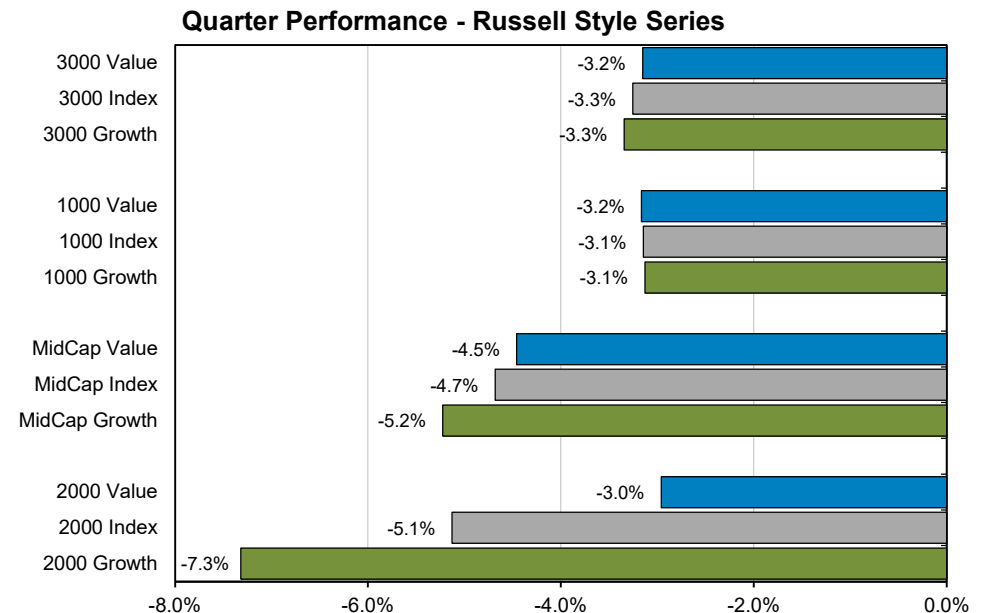
1-Year Performance



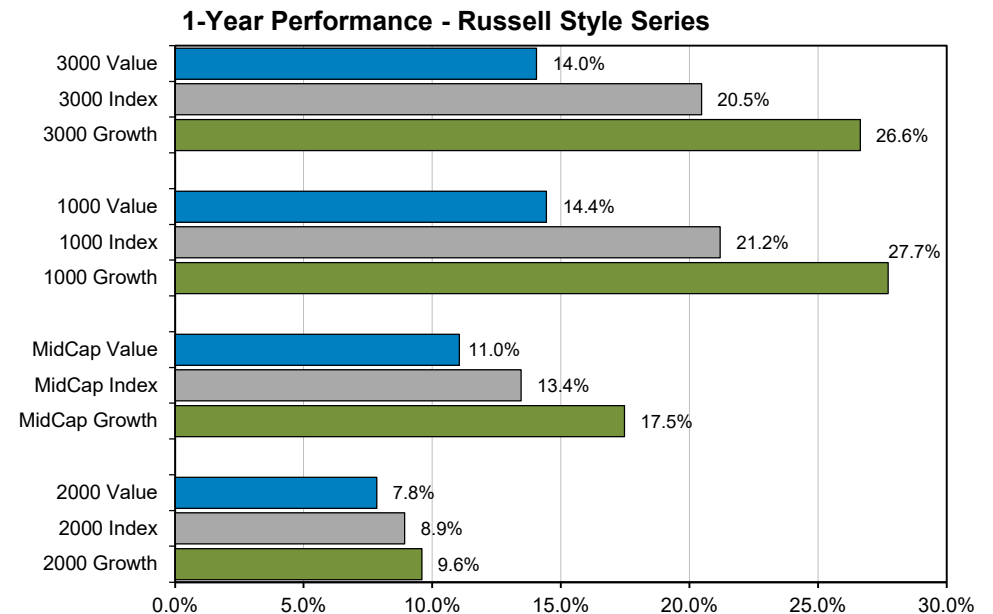
Source: Investment Metrics



- During the third quarter, core domestic equity benchmarks reversed course from their encouraging first-half 2023 performance. The selloff was agnostic to style as growth and value were down -3.3% and -3.2% respectively for the Russell 3000 Index, the broad market benchmark.
- Large-cap stocks once again led results for the capitalization-based benchmarks, besting both the mid-cap and small-cap indices for the quarter. Russell 1000 Index fell by -3.1% while the Russell 2000 Index fell by -5.1%.
- Among large-cap stocks, performance was relatively uniform across the style spectrum as growth fell by -3.1% and value fell by -3.2%. However, among small-cap stocks, performance across the style spectrum was disparate as growth fell by -7.3% and value fell by just -3.0%.



- The third quarter's reversal for domestic equity markets did not eclipse the rebound seen in the asset class during the first half of 2023 as each of the Russell indices were positive on a trailing 12-month basis. Within large-cap stocks, the Russell 1000 Growth Index maintains sizable dominance, returning 27.7% and leading the way among style-and-market-capitalization classifications. The worst-performing sub-index was the Russell 2000 Value, which posted a modest 7.8% return for the trailing 12 months.
- Growth rebounded from disappointing results in early 2022 and continues to lead value-based benchmarks in all market capitalization ranges over the trailing year. The Russell 2000 Growth Index returned 9.6%, outpacing the Russell 2000 Value Index return of 7.8%. The Russell 1000 Growth and Russell Midcap Growth benchmarks gained 27.7% and 17.5%, respectively, while their corresponding value index counterparts returned solid, but lagging, performance of 14.4% and 11.0%, respectively.

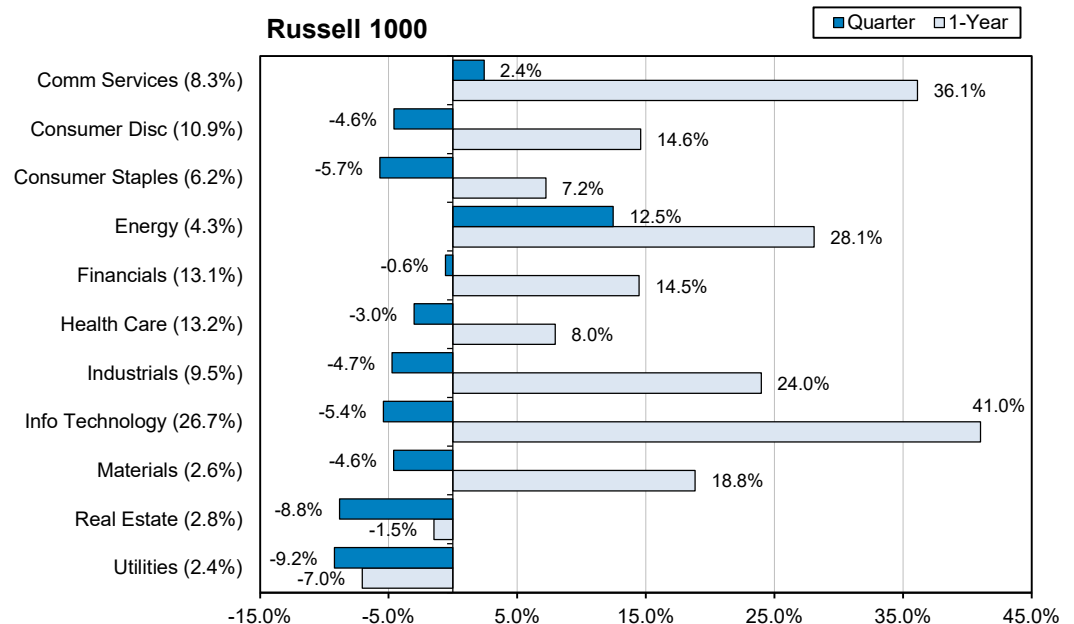


Source: Investment Metrics



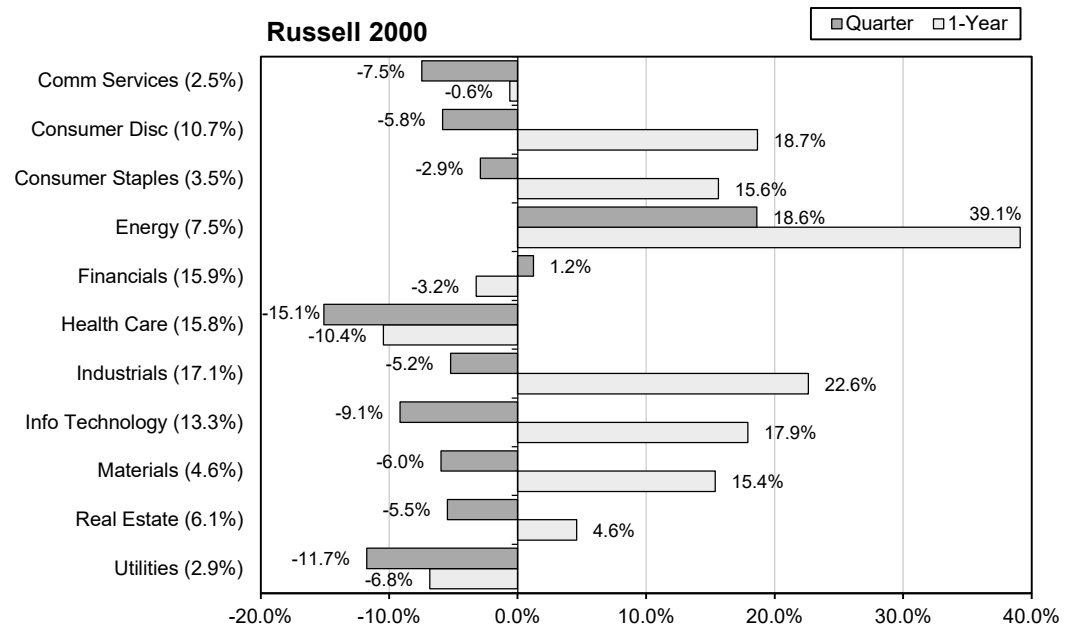
- Performance of the large-cap Russell 1000 Index was affected by negative performance in nine of 11 economic sectors during the quarter. However, four of the 11 sectors managed to outpace the core large-cap index.
- While domestic equities experienced challenges during the quarter, the energy sector managed a solid return of 12.5%. The other three sectors that outpaced the headline large-cap index's -3.1% return for the quarter were communication services (2.4%), financials (-0.6%) and health care (-3.0%). The worst-performing sectors during the quarter were utilities (-9.2%), and real estate (-8.8%).
- For the full year, four economic sectors exceeded the return of the broad large-cap index, and nine of the 11 sectors posted positive performance. The weakest economic sectors in the Russell 1000 for the year were utilities, and real estate which declined by -7.0% and -1.5%, respectively. Both sectors have been heavily impacted by rising energy costs and a market rotation away from defensive names.

Russell 1000



- Nine of 11 economic sectors in the small-cap benchmark posted negative results during the quarter while just three exceeded the -5.1% return of the Russell 2000 Index. The health care (-15.1%) and utilities (-11.7%) sectors detracted the most from small-cap performance, lagging the broad benchmark for the quarter. The two economic sectors that were positive for the quarter were energy (18.6%), and financials (1.2%).
- Similar to their large-cap peers, seven small-cap sectors were positive for the trailing 12 months. Energy posted the strongest sector result (39.1%) while the industrials sector also posting a return of more than 20% for the last 12 months. Just four of the 11 economic sectors fell short of the core small-cap benchmark's return of 8.9% over the trailing year. The worst-performing sector for the year was health care with a return of -10.4%. The utilities (-6.8%), financials (-3.2%), and communication services (-0.6%) sectors also posted negative results for the year.

Russell 2000



Source: Morningstar Direct
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of September 30, 2023

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.4%	-11.6%	24.6%	Information Technology
Microsoft Corp	5.9%	-7.1%	36.9%	Information Technology
Amazon.com Inc	2.9%	-2.5%	12.5%	Consumer Discretionary
NVIDIA Corp	2.6%	2.8%	258.6%	Information Technology
Alphabet Inc Class A	2.0%	9.3%	36.8%	Communication Services
Tesla Inc	1.7%	-4.4%	-5.7%	Consumer Discretionary
Alphabet Inc Class C	1.7%	9.0%	37.1%	Communication Services
Meta Platforms Inc Class A	1.7%	4.6%	121.3%	Communication Services
Berkshire Hathaway Inc Class B	1.6%	2.7%	31.2%	Financials
Exxon Mobil Corp	1.2%	10.6%	39.1%	Energy

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
AppLovin Corp Ordinary Shares	0.0%	55.3%	105.0%	Information Technology
Vertiv Holdings Co Class A	0.0%	50.2%	283.0%	Industrials
Capri Holdings Ltd	0.0%	46.6%	36.9%	Consumer Discretionary
Rivian Automotive Inc Class A	0.0%	45.7%	-26.2%	Consumer Discretionary
Texas Pacific Land Corp	0.0%	38.8%	3.3%	Energy
Affirm Holdings Inc Ordinary Shares	0.0%	38.7%	13.4%	Financials
Splunk Inc	0.1%	37.9%	94.5%	Information Technology
H&R Block Inc	0.0%	36.2%	4.5%	Consumer Discretionary
Ollie's Bargain Outlet Holdings Inc	0.0%	33.2%	49.6%	Consumer Discretionary
Zions Bancorp NA	0.0%	31.4%	-28.4%	Financials

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
AMC Entertainment Holdings Inc	0.0%	-79.4%	-87.0%	Communication Services
Hawaiian Electric Industries Inc	0.0%	-65.0%	-62.4%	Utilities
NovoCure Ltd	0.0%	-61.1%	-78.7%	Health Care
Apellis Pharmaceuticals Inc	0.0%	-58.2%	-44.3%	Health Care
Viasat Inc	0.0%	-55.3%	-38.9%	Information Technology
Petco Health and Wellness Co Inc	0.0%	-54.0%	-63.4%	Consumer Discretionary
Driven Brands Holdings Inc	0.0%	-53.5%	-55.0%	Industrials
Olaplex Holdings Inc	0.0%	-47.6%	-79.6%	Consumer Staples
Masimo Corp	0.0%	-46.7%	-37.9%	Health Care
Spirit AeroSystems Holdings Inc	0.0%	-44.7%	-26.4%	Industrials

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Super Micro Computer Inc	0.6%	10.0%	397.9%	Information Technology
Chart Industries Inc	0.3%	5.8%	-8.3%	Industrials
ChampionX Corp	0.3%	15.1%	84.2%	Energy
Chord Energy Corp Ordinary Shares	0.3%	6.3%	29.3%	Energy
Murphy Oil Corp	0.3%	19.1%	32.3%	Energy
Matador Resources Co	0.3%	14.0%	22.8%	Energy
Light & Wonder Inc Ordinary Shares	0.3%	3.7%	66.3%	Consumer Discretionary
Weatherford International PLC	0.3%	36.0%	179.7%	Energy
Simpson Manufacturing Co Inc	0.3%	8.4%	93.1%	Industrials
SPS Commerce Inc	0.3%	-11.2%	37.3%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Tango Therapeutics Inc	0.0%	239.2%	211.0%	Health Care
PolyMet Mining Corp	0.0%	166.3%	-22.3%	Materials
Cardlytics Inc	0.0%	161.1%	75.5%	Communication Services
Telephone and Data Systems Inc	0.1%	124.8%	41.3%	Communication Services
Thorne HealthTech Inc	0.0%	116.8%	115.4%	Consumer Staples
Immunovant Inc	0.1%	102.4%	588.0%	Health Care
Tetra Technologies Inc	0.0%	88.8%	77.7%	Energy
NextNav Inc	0.0%	74.8%	91.1%	Information Technology
Centrus Energy Corp Class A	0.0%	74.3%	38.5%	Energy
Hallador Energy Co	0.0%	68.3%	156.6%	Energy

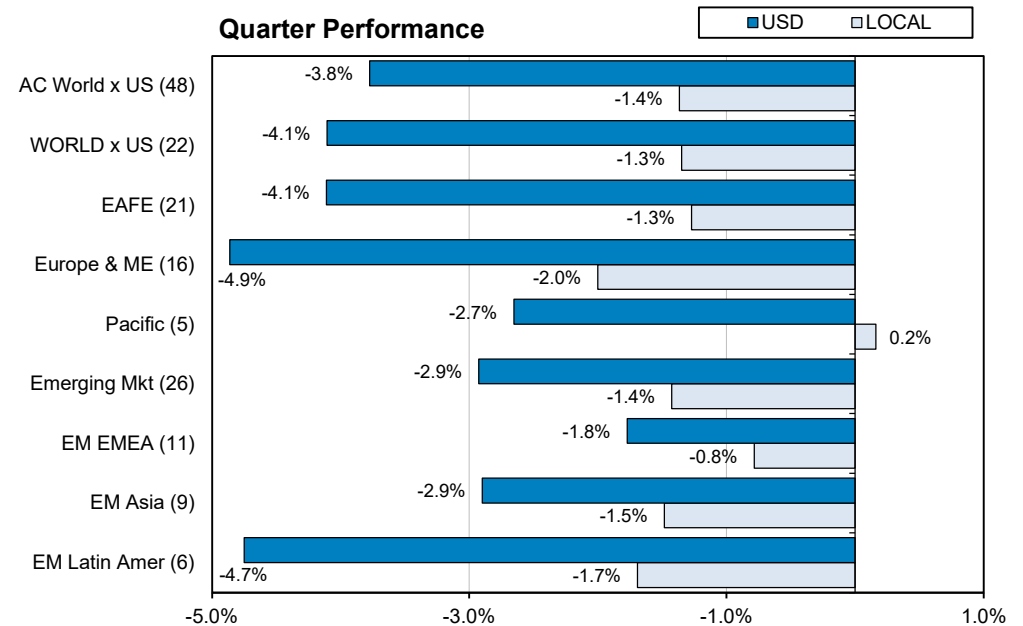
Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Outlook Therapeutics Inc	0.0%	-87.3%	-81.9%	Health Care
CXApp Inc Ordinary Shares	0.0%	-83.4%	-81.9%	Information Technology
Cano Health Inc Ordinary Shares	0.0%	-81.8%	-97.1%	Health Care
Loop Media Inc	0.0%	-79.2%	-88.9%	Communication Services
Akoustis Technologies Inc	0.0%	-76.3%	-74.6%	Information Technology
Benson Hill Inc	0.0%	-74.5%	-87.9%	Consumer Staples
TPI Composites Inc	0.0%	-74.4%	-76.5%	Industrials
Kodiak Sciences Inc	0.0%	-73.9%	-76.7%	Health Care
System1 Inc	0.0%	-73.1%	-80.8%	Communication Services
Presto Automation Inc	0.0%	-72.6%	-30.2%	Information Technology

Source: Morningstar Direct

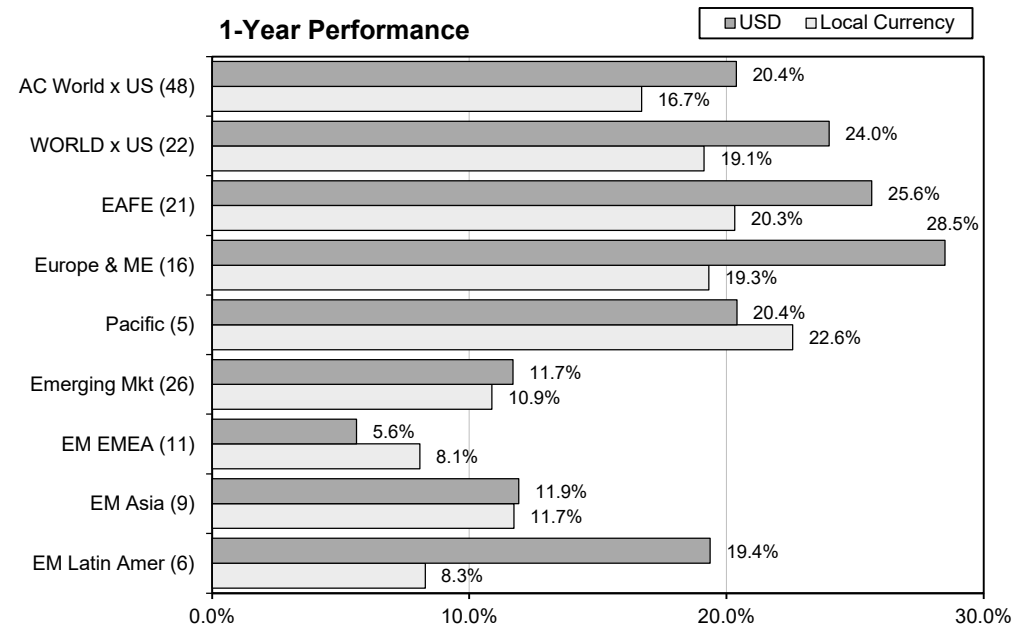


- International developed and emerging market benchmarks struggled in both US Dollar (USD) and local currency (LCL) terms. The strengthening USD contributed to weaker USD performance for non-US indices during the quarter. The developed-market MSCI EAFE Index struggled with a -4.1% return in USD and -1.3% in LCL terms for the period. The MSCI Emerging Markets Index fell by less than most developed market indices, returning -2.9% in USD and -1.4% in LCL terms.
- The EMEA index had the smallest drawdown for the quarter in USD terms, falling -1.8%. In local currency terms, the Pacific regional index exhibited a slight 0.2% gain during the quarter, the only positive return among its peers.
- Trailing one-year results were more appealing compared to the quarter's results. Much like domestic markets, trailing one-year performance for international developed and emerging markets rolled off their poor performance from 2022 resulting in strong returns for the trailing year. Additionally, LCL returns have outpaced USD returns for many developed markets due to the softening USD relative to many of the world's developed-market currencies over the year.
- Annual returns across emerging markets were broadly higher given their strong performance early in the year. Latin American results led the way with returns of 19.4% in USD and 8.3% in LCL terms. Performance in the EMEA regional benchmark detracted from emerging market index with the EMEA Index posting returns of 5.6% in USD and 8.1% in LCL terms. As a result, the broad MSCI Emerging Markets Index returned 11.7% in USD and 10.9% in LCL terms for the year.

Quarter Performance



1-Year Performance



Source: MSCI Global Index Monitor (Returns are Net)

The Market Environment
US Dollar International Index Attribution & Country Detail
As of September 30, 2023

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.1%	-3.4%	14.4%
Consumer Discretionary	12.0%	-8.3%	32.8%
Consumer Staples	9.8%	-7.1%	9.9%
Energy	4.8%	11.6%	34.3%
Financials	19.1%	0.8%	33.9%
Health Care	13.4%	-3.1%	19.0%
Industrials	15.9%	-6.0%	32.9%
Information Technology	7.7%	-10.7%	29.2%
Materials	7.5%	-3.2%	23.7%
Real Estate	2.3%	-1.1%	5.4%
Utilities	3.4%	-8.8%	22.5%
Total	100.0%	-4.1%	25.6%

MSCI - ACWIxUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.5%	-4.9%	13.0%
Consumer Discretionary	11.9%	-5.6%	22.3%
Consumer Staples	8.4%	-6.4%	9.0%
Energy	6.0%	9.0%	27.3%
Financials	21.2%	-0.7%	22.0%
Health Care	9.7%	-2.8%	17.2%
Industrials	13.1%	-5.8%	28.2%
Information Technology	11.3%	-8.7%	29.0%
Materials	7.9%	-3.3%	16.2%
Real Estate	2.0%	-1.1%	4.7%
Utilities	3.1%	-7.9%	11.4%
Total	100.0%	-3.8%	20.4%

MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	9.6%	-5.9%	12.5%
Consumer Discretionary	13.7%	0.8%	5.1%
Consumer Staples	6.2%	-4.4%	4.6%
Energy	5.3%	6.3%	23.8%
Financials	22.3%	-1.7%	10.2%
Health Care	3.8%	-0.8%	4.1%
Industrials	6.7%	-4.6%	11.5%
Information Technology	20.2%	-6.8%	25.8%
Materials	8.0%	-3.1%	6.5%
Real Estate	1.7%	-0.6%	1.5%
Utilities	2.6%	-3.0%	-5.5%
Total	100.0%	-2.9%	11.7%

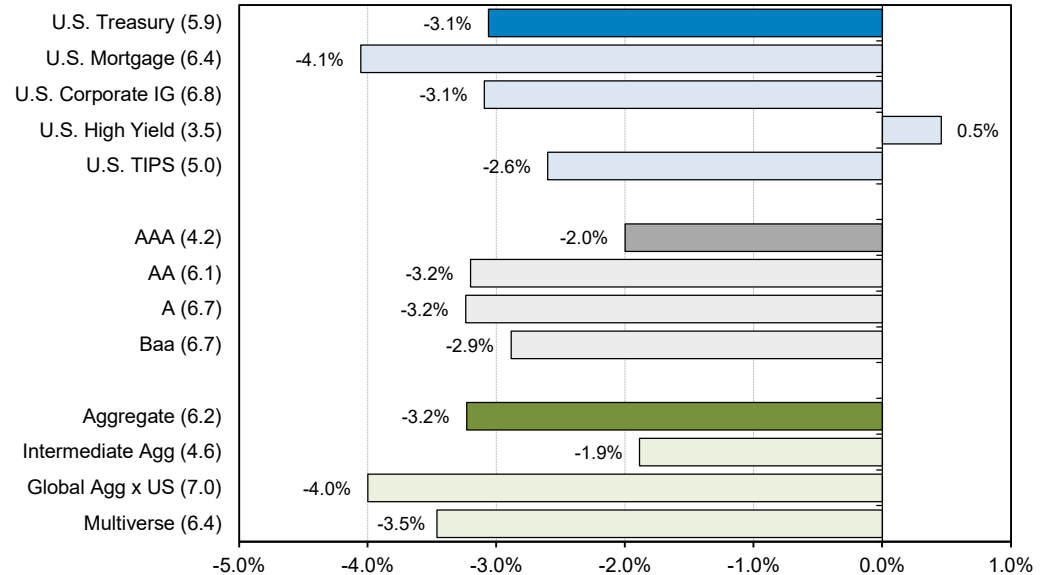
Country	MSCI-EAFE Weight	MSCI-ACWIxUS Weight	Quarter Return	1-Year Return
Japan	22.9%	14.7%	-2.4%	23.3%
United Kingdom	15.3%	9.8%	-2.8%	20.0%
France	12.1%	7.7%	-7.1%	31.4%
Switzerland	9.9%	6.4%	-5.5%	13.7%
Germany	8.3%	5.3%	-7.7%	32.3%
Australia	7.4%	4.7%	-4.7%	10.4%
Netherlands	4.3%	2.7%	-14.1%	24.8%
Denmark	3.3%	2.1%	2.0%	52.0%
Sweden	3.1%	2.0%	-5.7%	17.9%
Spain	2.6%	1.7%	-4.1%	40.4%
Italy	2.6%	1.7%	-2.4%	47.8%
Hong Kong	2.3%	1.5%	-12.1%	-6.1%
Singapore	1.5%	0.9%	-2.1%	6.2%
Belgium	1.0%	0.6%	-0.2%	20.0%
Finland	0.9%	0.6%	-6.0%	-1.9%
Norway	0.7%	0.5%	10.7%	12.9%
Israel	0.7%	0.4%	4.5%	0.1%
Ireland	0.5%	0.4%	-7.7%	40.6%
Portugal	0.2%	0.1%	-8.9%	7.1%
New Zealand	0.2%	0.1%	-10.0%	12.2%
Austria	0.2%	0.1%	-0.6%	34.9%
Total EAFE Countries	100.0%	64.1%	-4.1%	25.6%
Canada		7.6%	-4.7%	8.7%
Total Developed Countries		71.7%	-4.1%	24.0%
China		8.5%	-1.9%	5.2%
India		4.5%	2.7%	10.1%
Taiwan		4.2%	-7.4%	21.8%
Korea		3.5%	-6.6%	26.2%
Brazil		1.5%	-3.6%	15.3%
Saudi Arabia		1.2%	-4.4%	-5.9%
South Africa		0.9%	-4.6%	6.7%
Mexico		0.7%	-6.5%	33.7%
Indonesia		0.6%	-3.4%	1.5%
Thailand		0.5%	-4.5%	0.1%
United Arab Emirates		0.4%	6.1%	2.2%
Malaysia		0.4%	4.5%	5.2%
Qatar		0.3%	0.1%	-17.8%
Kuwait		0.2%	-2.7%	-1.9%
Poland		0.2%	-12.7%	59.1%
Turkey		0.2%	32.7%	74.9%
Philippines		0.2%	-3.8%	17.7%
Chile		0.1%	-9.8%	3.3%
Greece		0.1%	-7.8%	70.6%
Peru		0.1%	-4.0%	29.9%
Hungary		0.1%	0.5%	75.9%
Czech Republic		0.0%	1.0%	35.7%
Colombia		0.0%	0.1%	15.9%
Egypt		0.0%	15.3%	48.4%
Total Emerging Countries		28.3%	-2.9%	11.7%
Total ACWIxUS Countries		100.0%	-3.8%	20.4%

Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

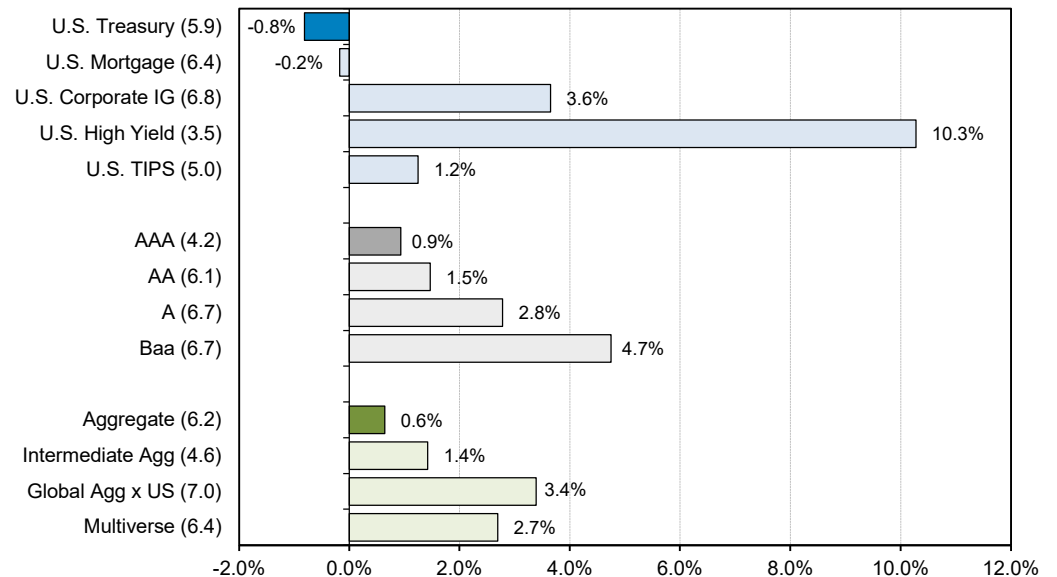


- Fixed income markets continued the decline that began in the second quarter. Yields remain elevated on the back of FOMC actions to hike policy rates throughout the year. After a challenging 2022 in fixed-income markets brought on by the largest and most rapid increase in interest rates since the early 1980s, higher yields and an expected slower pace of rate increases led investors to expect better outcomes in 2023. That expectation was challenged during the second and third quarters, as the additional 0.25% rate hike in July, and guidance toward potential future rate hikes weighed on the asset class and many of the major domestic fixed-income indices posted discouraging returns.
- The Bloomberg US Aggregate Bond Index, the bellwether US investment grade benchmark, declined -3.2% for the quarter. Beneath the headline benchmark, the Bloomberg US Corporate Investment Grade Index returned -3.1% and the US Mortgage Index posted a weaker -4.1%.
- Outside of the aggregate index's sub-components, high-yield bonds continued their rise with a return of 0.5% as credit spreads narrowed during the quarter. Additionally, US TIPS fell -2.6% for the quarter. The Bloomberg Global Aggregate ex-US Index lagged most domestic fixed-income indexes and the multiverse benchmark, posting a loss of -4.0% for the quarter.
- Over the trailing one-year period, the Bloomberg US Aggregate Bond Index gained just 0.6%. The benchmark's sub-components were highly dispersed with Treasuries falling -0.8% while corporate investment grade issues were up 3.6% over the previous 12 months. US TIPS, which are excluded from the aggregate index, increased by 1.2% for the year. High-yield corporate bonds, which have a much shorter duration, nearly tripled the returns of their investment grade counterparts with the Bloomberg US High Yield Index returning an impressive 10.3% for the trailing year.
- Performance for non-US bonds overcame the disappointing performance in 2022 with the Bloomberg Global Aggregate ex-US Index gaining 3.4%.

Quarter Performance



1-Year Performance

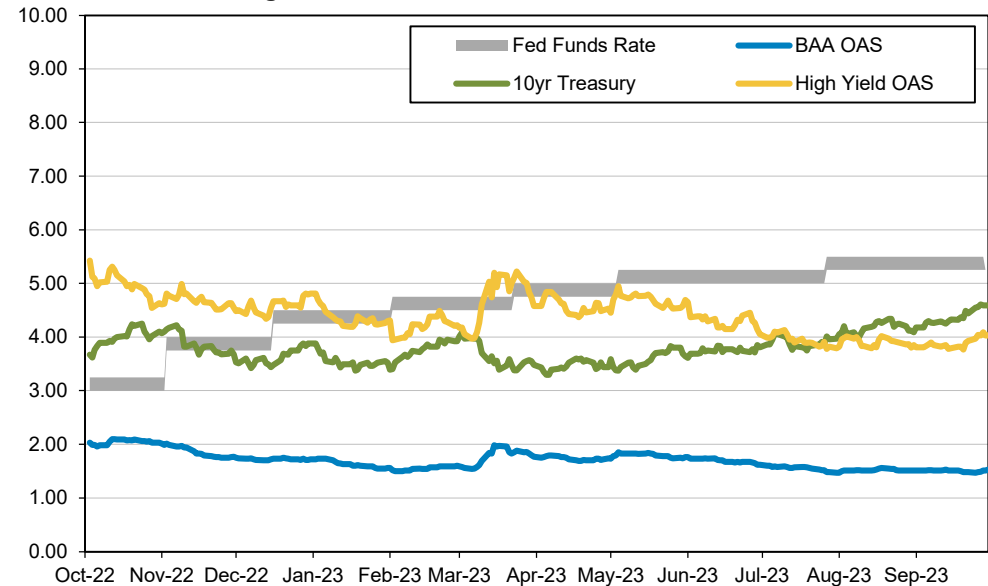


Source: Bloomberg

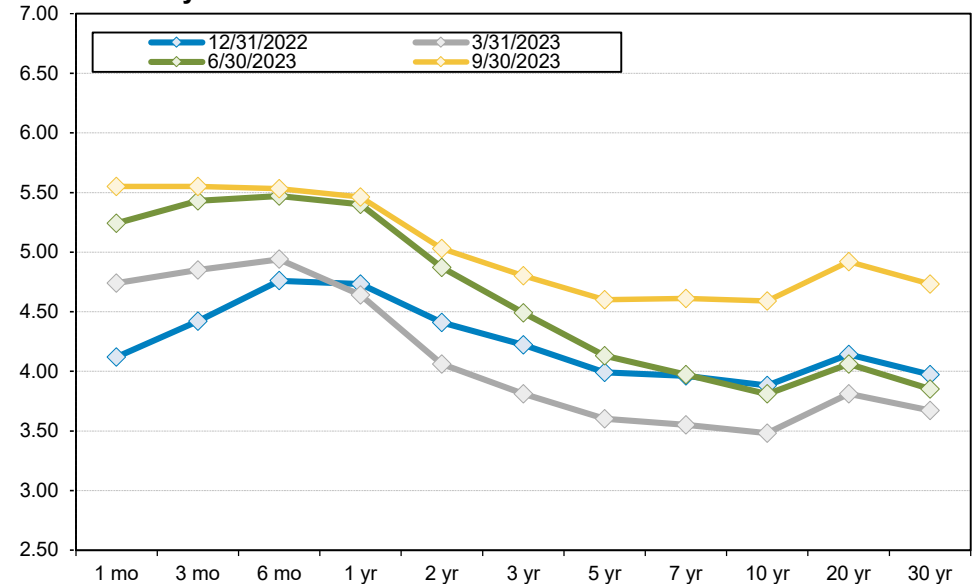


- The gray band across the graph illustrates the range of the current Fed Funds target rate. During the third quarter, the FOMC raised the lower end of its target rate range from 5.00% to 5.25% at their July meeting. While the FOMC paused further rate increases at their September meeting, several speeches and public comments since that meeting have made it clear that additional rate hikes should not be ruled out. While the overwhelming consensus has been that the Fed is moving towards the end of its rate hiking cycle, several statements and key macroeconomic statistics have shed doubt on timing of these expectations.
- The yield on the US 10-Year Treasury (green line) rose 0.78% largely due to increases in the policy rate and the potential for expected future inflationary pressure. The closing yield on the 10-Year Treasury was 4.59% as of September 29, 2023, and is up 71 basis points from its 3.88% yield at 2022 year-end. Capital market rates have now reached their highest levels in 16 years.
- The blue line illustrates changes in the BAA (Option Adjusted Spread) OAS for BAA-rated corporate bonds. This measure quantifies the additional yield premium that investors require to purchase and hold non-US Treasury investment grade issues with the lowest investment grade rating. For the full year, the spread narrowed from 2.05% to 1.53%, signaling a lower premium for credit risk than was the case a year prior. High-yield OAS spreads have narrowed from 5.92% in July 2022 to 4.03% as of the end of the quarter. Spikes in both the BAA OAS and High Yield spread measures were visible in the first quarter of 2023 following a short-lived crisis of confidence in the banking sector, which has since been addressed. Both spread measures traded lower on the news of the government's intervention, and as fears of possible contagion waned, credit spreads returned to their levels prior to February.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. Short-term rates continued to rise during the third quarter as the FOMC increased policy interest rates to continue combatting inflation. The Treasury yield curve has quickly exhibited a re-steepening with longer-term yields increasing at a faster pace than shorter-term yields. During the quarter, the 30-year yield jumped from 3.85% to 4.73% (an increase of 0.88%). Historically, a persistent inversion of the yield curve has been a precursor of an economic recession within six to 24 months.

1-Year Trailing Market Rates



Treasury Yield Curve



Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)



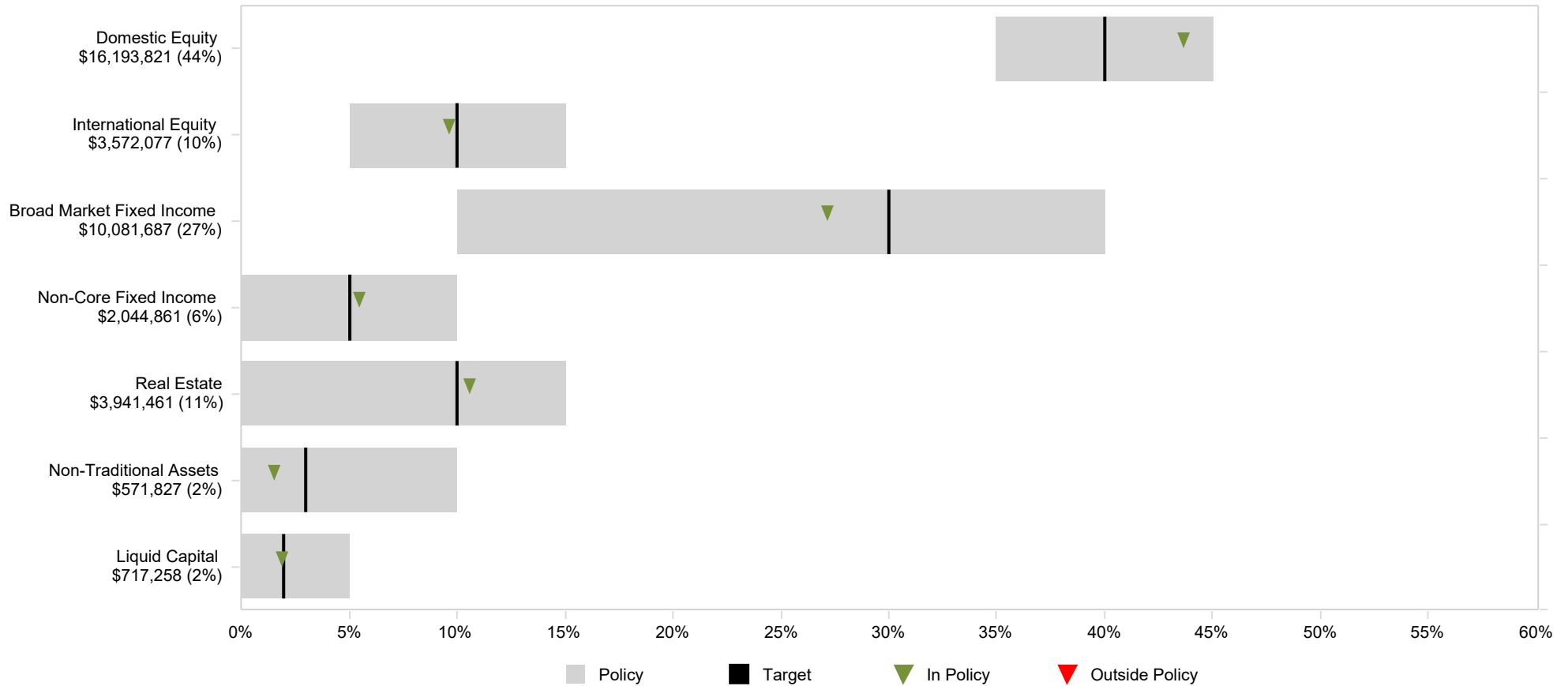
Page Intentionally Left Blank



Manager	MV as of	Most Recent Statement Date
Real Estate		
Intercontinental U.S. REIF	9/30/2023	9/30/2023
Principal Enhanced Property Fund	9/30/2023	9/30/2023
Absolute Return		
Crescent Direct Lending Levered Fund II	6/30/2023	6/30/2023

Performance and valuations presented in this report are preliminary, with 98.5% of assets reporting finalized figures.
NAVs for non-reporting investments are carried forward from the most recent valuation.

Executive Summary



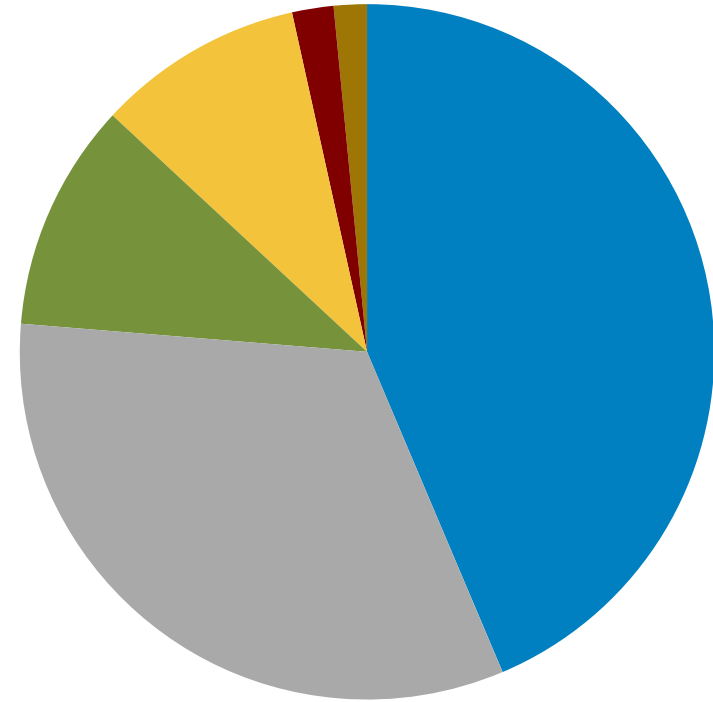
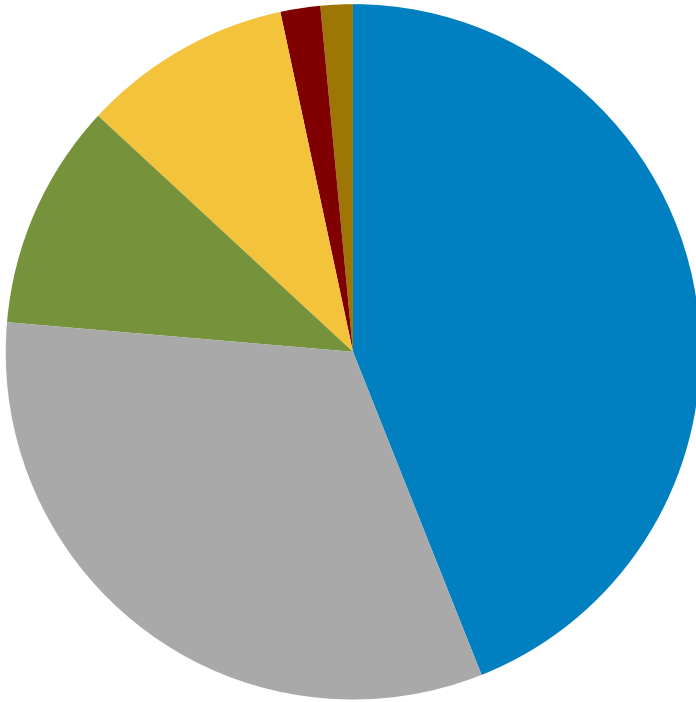
Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Minimum Allocation (%)	Target Allocation (%)	Maximum Allocation (%)
Total Fund	37,122,991	100.0	N/A	100.0	N/A
Domestic Equity	16,193,821	43.6	35.0	40.0	45.0
International Equity	3,572,077	9.6	5.0	10.0	15.0
Broad Market Fixed Income	10,081,687	27.2	10.0	30.0	40.0
Non-Core Fixed Income	2,044,861	5.5	0.0	5.0	10.0
Real Estate	3,941,461	10.6	0.0	10.0	15.0
Non-Traditional Assets	571,827	1.5	0.0	3.0	10.0
Liquid Capital	717,258	1.9	0.0	2.0	5.0



Jun-2023 : \$38,072,152

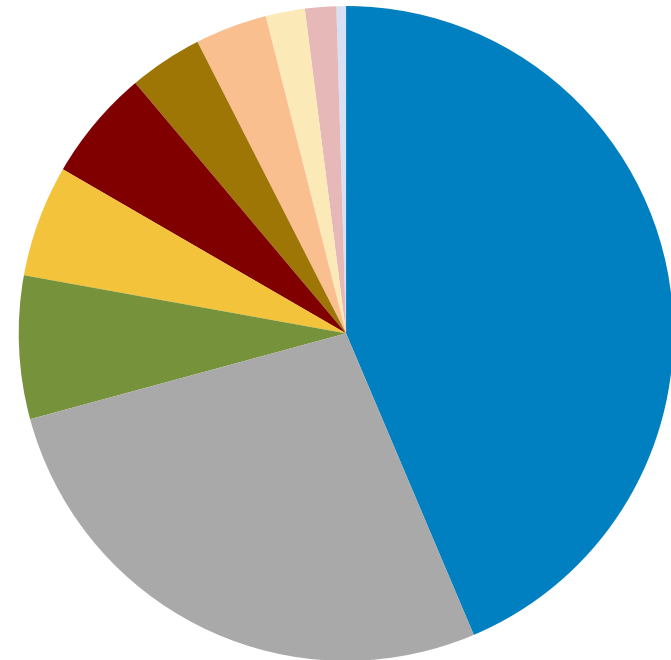
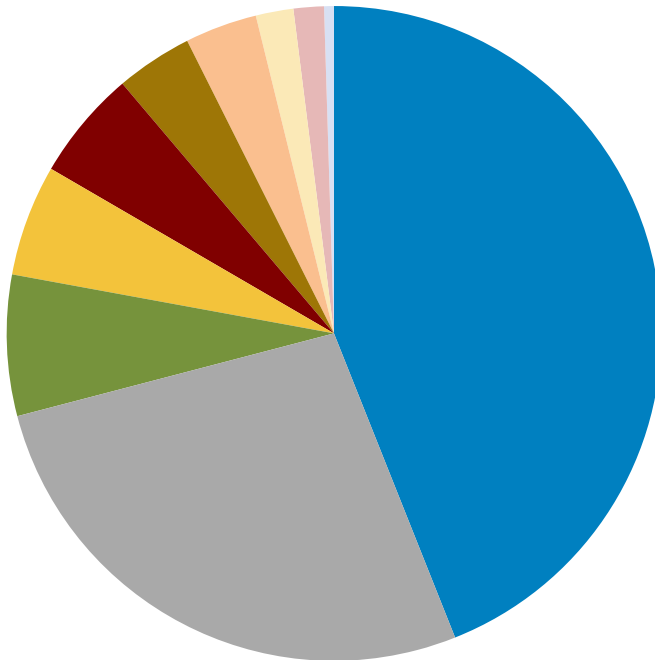
Sep-2023 : \$37,122,991



Allocation			Allocation		
	Market Value (\$)	Allocation (%)		Market Value (\$)	Allocation (%)
Domestic Equity	16,739,485	43.97	Domestic Equity	16,193,821	43.62
Total Fixed Income	12,332,227	32.39	Total Fixed Income	12,126,547	32.67
Real Estate	4,006,197	10.52	Real Estate	3,941,461	10.62
International Equity	3,716,866	9.76	International Equity	3,572,077	9.62
Liquid Capital	705,551	1.85	Liquid Capital	717,258	1.93
Non-Traditional Assets	571,827	1.50	Non-Traditional Assets	571,827	1.54

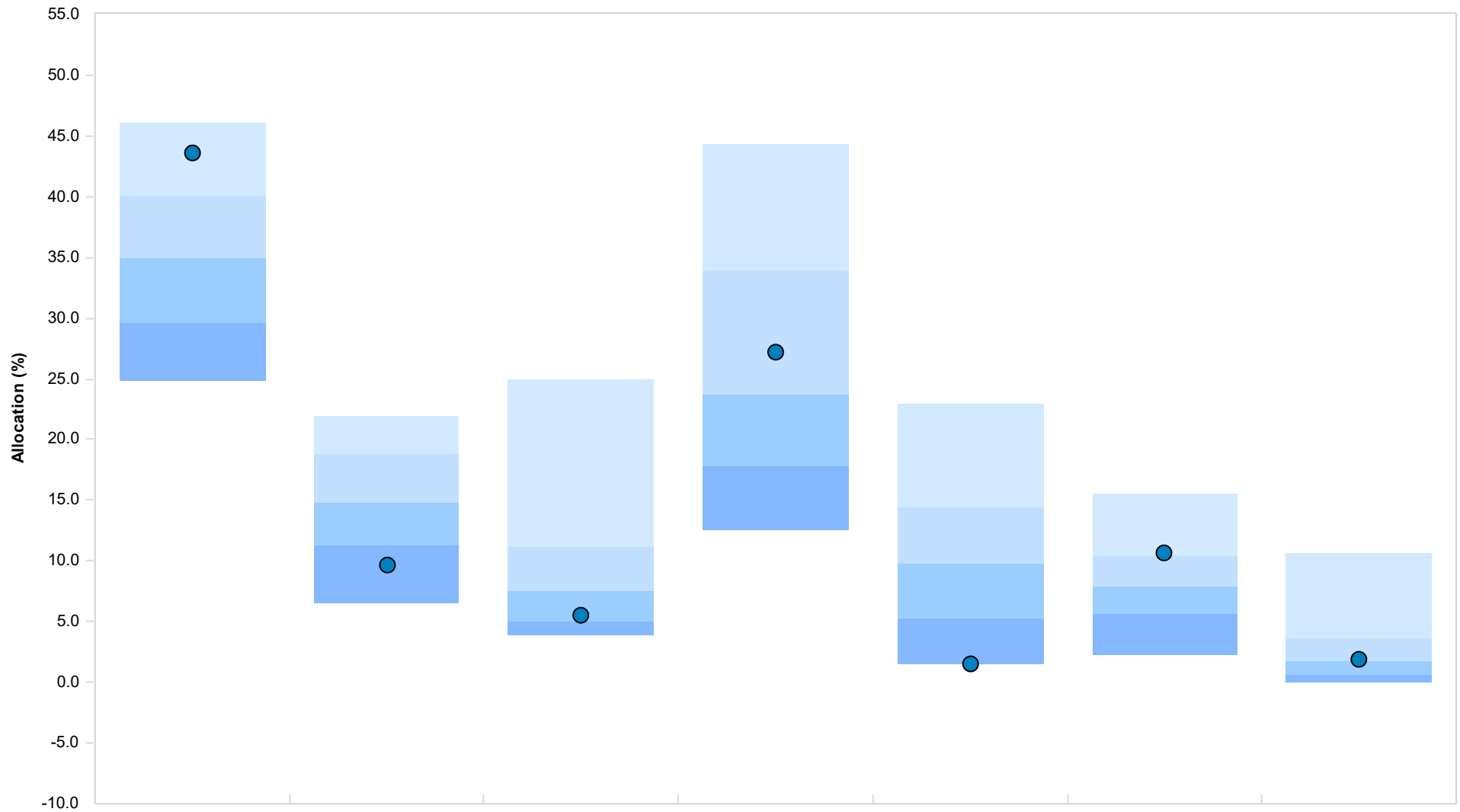
Jun-2023 : \$38,072,152

Sep-2023 : \$37,122,991



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Vanguard Russell 3000 Idx (VRTTX)	16,739,485	44.0	■ Vanguard Russell 3000 Idx (VRTTX)	16,193,821	43.6
■ Galliard Intermediate Core	10,264,689	27.0	■ Galliard Intermediate Core	10,081,687	27.2
■ Intercontinental U.S. REIF	2,649,352	7.0	■ Intercontinental U.S. REIF	2,621,785	7.1
■ Pear Tree Polaris Foreign Value (QFVRX)	2,092,276	5.5	■ Pear Tree Polaris Foreign Value (QFVRX)	2,047,260	5.5
■ PIMCO Div Inc Bond Fund (PDIIX)	2,067,537	5.4	■ PIMCO Div Inc Bond Fund (PDIIX)	2,044,861	5.5
■ American Funds Europacific Growth R6 (RERGX)	1,439,481	3.8	■ American Funds Europacific Growth R6 (RERGX)	1,348,382	3.6
■ Principal Enhanced Property Fund	1,356,845	3.6	■ Principal Enhanced Property Fund	1,319,676	3.6
■ Liquid Reserves	705,551	1.9	■ Liquid Reserves	717,258	1.9
■ Crescent Direct Lending Levered Fund II	571,827	1.5	■ Crescent Direct Lending Levered Fund II	571,827	1.5
■ Vanguard Developed Mkts Index (VTMGX)	185,108	0.5	■ Vanguard Developed Mkts Index (VTMGX)	176,435	0.5

Plan Sponsor TF Asset Allocation
Total Fund Vs. All Public Plans - Equity Allocation 45%-55%
As of September 30, 2023



	US Equity	Global ex-US Equity	Global Fixed Income	US Fixed	Private Equity	Total Real Estate	Cash & Equivalents
● Total Fund	43.62 (9)	9.62 (89)	5.51 (71)	27.16 (39)	1.54 (95)	10.62 (24)	1.93 (47)
5th Percentile	46.10	21.91	24.97	44.34	23.00	15.51	10.62
1st Quartile	40.13	18.81	11.17	33.96	14.45	10.36	3.71
Median	34.90	14.86	7.58	23.69	9.85	7.95	1.79
3rd Quartile	29.57	11.23	5.03	17.75	5.31	5.69	0.59
95th Percentile	24.79	6.47	3.94	12.59	1.53	2.27	0.05

All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



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

	Allocation		Performance(%)										Inception Date
	Market Value \$	%	QTD	FYTD	YTD	1 YR	3 YR	4 YR	5 YR	Inception			
Total Fund	37,122,991	100.0	-2.49 (36)	8.93 (69)	4.70 (29)	8.93 (69)	4.02 (53)	4.55 (63)	4.29 (63)	3.96 (96)	05/01/2007		
Total Fund Policy			-2.35 (28)	9.88 (47)	5.01 (19)	9.88 (47)	3.86 (55)	5.41 (35)	5.39 (24)	N/A			
All Public Plans - Equity Allocation 45%-55% Median			-2.76	9.67	4.23	9.67	4.19	4.91	4.57	5.24			
Domestic Equity	16,193,821	43.6	-3.26 (41)	20.40 (28)	12.35 (25)	20.40 (28)	9.68 (39)	9.11 (35)	7.41 (35)	6.75 (53)	06/01/2007		
Russell 3000 Index			-3.25 (41)	20.46 (27)	12.39 (24)	20.46 (27)	9.38 (42)	10.76 (21)	9.14 (18)	8.45 (24)			
IM U.S. Equity (MF) Median			-3.67	15.07	5.25	15.07	8.34	7.62	6.08	6.88			
Vanguard Russell 3000 Idx (VRTTX)	16,193,821	43.6	-3.26 (40)	20.40 (27)	12.35 (20)	20.40 (27)	9.31 (55)	N/A	N/A	9.31 (55)	10/01/2020		
Russell 3000 Index			-3.25 (40)	20.46 (26)	12.39 (19)	20.46 (26)	9.38 (54)	10.76 (20)	9.14 (19)	9.38 (54)			
IM U.S. Core Equity (MF) Median			-3.61	16.38	6.27	16.38	9.63	8.24	6.50	9.63			
International Equity	3,572,077	9.6	-3.90 (39)	23.94 (29)	6.71 (29)	23.94 (29)	3.77 (39)	3.67 (45)	2.73 (40)	2.40 (42)	06/01/2007		
Total International Equity Policy			-3.68 (36)	21.02 (41)	5.82 (38)	21.02 (41)	4.24 (36)	4.04 (38)	3.07 (33)	2.04 (54)			
IM International Equity (MF) Median			-4.52	19.12	4.64	19.12	2.06	3.37	2.26	2.16			
Vanguard Developed Mkts Index (VTMGX)	176,435	0.5	-4.69 (37)	24.01 (53)	5.90 (56)	24.01 (53)	5.32 (45)	N/A	N/A	9.11 (48)	05/01/2020		
Vanguard Spliced Developed ex U.S. Index (Net)			-3.97 (17)	23.77 (54)	6.44 (46)	23.77 (54)	5.49 (42)	4.62 (42)	3.21 (36)	9.06 (48)			
IM International Large Cap Core Equity (MF) Median			-4.99	24.25	6.17	24.25	5.04	4.16	2.77	8.84			
Pear Tree Polaris Foreign Value (QFVRX)	2,047,260	5.5	-2.15 (52)	26.94 (66)	7.84 (61)	26.94 (66)	7.55 (70)	N/A	N/A	5.82 (73)	09/01/2020		
MSCI EAFE Value Index (Net)			0.59 (10)	31.51 (34)	9.92 (32)	31.51 (34)	11.11 (26)	4.84 (51)	2.81 (48)	9.12 (30)			
MSCI EAFE (Net) Index			-4.11 (79)	25.65 (75)	7.08 (71)	25.65 (75)	5.75 (86)	4.41 (64)	3.24 (34)	4.70 (84)			
IM International Value Equity (MF) Median			-2.09	28.68	8.70	28.68	9.11	4.93	2.68	7.63			
American Funds Europacific Growth R6 (RERGX)	1,348,382	3.6	-6.33 (33)	19.64 (43)	5.15 (29)	19.64 (43)	0.29 (59)	3.77 (56)	3.24 (50)	2.92 (56)	07/01/2018		
MSCI AC World ex USA Growth (Net)			-7.31 (55)	15.84 (85)	2.61 (77)	15.84 (85)	-1.86 (79)	2.67 (79)	2.54 (73)	2.37 (75)			
MSCI AC World ex USA (Net)			-3.77 (4)	20.39 (41)	5.34 (26)	20.39 (41)	3.74 (14)	3.55 (63)	2.58 (72)	2.59 (68)			
IM International Large Cap Growth Equity (MF) Median			-7.10	18.88	4.42	18.88	0.89	3.93	3.23	3.10			
Non-Traditional Assets	571,827	1.5	0.00	8.29	5.44	8.29	9.38	8.23	7.54	4.69	07/01/2007		
Crescent Direct Lending Levered Fund II	571,827	1.5	0.00	8.29	5.44	8.29	9.38	8.22	8.67	8.97	03/01/2018		

Current period valuation is not yet available for Crescent Direct Lending; valuation reflects previous quarter value carried forward.

Returns for periods greater than one year are annualized. Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees. All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



Asset Allocation & Performance

Total Fund

As of September 30, 2023

	Allocation		Performance(%)									
	Market Value \$	%	QTD	FYTD	YTD	1 YR	3 YR	4 YR	5 YR	Inception	Inception Date	
Total Fixed Income	12,126,547	32.7	-1.67 (6)	2.75 (5)	0.51 (7)	2.75 (5)	-3.60 (8)	-1.04 (8)	1.13 (4)	2.06 (84)	06/01/2007	
Fixed Income Composite Index			-3.19 (65)	0.68 (55)	-1.18 (69)	0.68 (55)	-5.01 (40)	-2.10 (42)	0.23 (37)	N/A		
IM U.S. Broad Market Core Fixed Income (MF) Median			-3.08	0.77	-0.91	0.77	-5.13	-2.21	0.08	2.69		
Galliard Intermediate Core	10,081,687	27.2	-1.78 (77)	1.87 (63)	0.13 (70)	1.87 (63)	N/A	N/A	N/A	-3.17 (79)	04/01/2022	
Bloomberg Intermed Aggregate Index			-1.89 (79)	1.42 (71)	-0.30 (77)	1.42 (71)	-3.66 (79)	-1.41 (79)	0.42 (73)	-3.59 (87)		
IM U.S. Intermediate Duration (SA+CF+MF) Median			-0.68	2.26	0.77	2.26	-2.62	-0.48	0.93	-2.31		
PIMCO Div Inc Bond Fund (PDIIIX)	2,044,861	5.5	-1.10 (23)	7.29 (7)	2.44 (11)	7.29 (7)	-2.41 (19)	-0.97 (21)	1.05 (15)	1.04 (11)	12/01/2017	
Blmbg. Global Credit (Hedged)			-1.32 (29)	5.27 (13)	1.90 (14)	5.27 (13)	-3.36 (27)	-1.27 (26)	1.04 (17)	0.86 (14)		
IM Global Fixed Income (MF) Median			-2.42	2.65	-0.28	2.65	-4.89	-2.73	-0.65	-0.77		
Real Estate	3,941,461	10.6	-1.62 (25)	-16.02 (85)	-9.92 (76)	-16.02 (85)	5.75 (68)	4.89 (61)	5.11 (64)	5.60 (62)	04/01/2018	
NCREIF Fund Index-Open End Diversified Core (EW)			-1.97 (29)	-12.44 (41)	-7.93 (51)	-12.44 (41)	7.56 (25)	6.07 (28)	6.09 (37)	6.33 (35)		
IM U.S. Private Real Estate (SA+CF) Median			-3.09	-12.83	-7.88	-12.83	6.81	5.36	5.72	6.14		
Intercontinental U.S. REIF	2,621,785	7.1	-1.04 (16)	-16.48 (89)	-10.83 (80)	-16.48 (89)	4.82 (79)	4.37 (65)	4.82 (72)	5.33 (70)	04/01/2018	
NCREIF Fund Index-Open End Diversified Core (EW)			-1.97 (29)	-12.44 (41)	-7.93 (51)	-12.44 (41)	7.56 (25)	6.07 (28)	6.09 (37)	6.33 (35)		
IM U.S. Private Real Estate (SA+CF) Median			-3.09	-12.83	-7.88	-12.83	6.81	5.36	5.72	6.14		
Principal Enhanced Property Fund	1,319,676	3.6	-2.74 (47)	-15.09 (79)	-8.07 (54)	-15.09 (79)	7.69 (14)	5.98 (34)	5.70 (51)	5.70 (51)	10/01/2018	
NCREIF Fund Index-Open End Diversified Core (EW)			-1.97 (29)	-12.44 (41)	-7.93 (51)	-12.44 (41)	7.56 (25)	6.07 (28)	6.09 (37)	6.09 (37)		
IM U.S. Private Real Estate (SA+CF) Median			-3.09	-12.83	-7.88	-12.83	6.81	5.36	5.72	5.72		
Liquid Reserves	717,258	1.9										
Annualized Cash Yield: 4.99%												

Current period valuation is not yet available for Crescent Direct Lending; valuation reflects previous quarter value carried forward.

Returns for periods greater than one year are annualized. Returns are expressed as percentages. Mutual fund and ETF investments are reported net of fees. All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



Asset Allocation & Performance [Net of Fees] - Fiscal Year Returns

	Allocation		Performance(%)				
	Market Value \$	%	FYTD	FY2021	FY2020	FY2019	FY2018
Total Fund (Net of PBA Fees)	37,122,991	100.0	8.93 (69)	18.27 (61)	6.15 (78)	3.23 (71)	6.36 (71)
Total Fund Policy			9.88 (47)	16.11 (86)	10.18 (23)	5.30 (14)	8.06 (17)
All Public Plans - Equity Allocation 45%-55% Median			9.67	19.46	7.95	4.18	6.73
Total Fund	37,122,991	100.0	8.93 (69)	18.27 (61)	6.15 (78)	3.23 (71)	6.36 (71)
Total Fund Policy			9.88 (47)	16.11 (86)	10.18 (23)	5.30 (14)	8.06 (17)
60% S&P 500/40% Blbg BC Aggregate Index			13.01 (3)	16.91 (75)	12.50 (2)	7.10 (1)	9.99 (3)
All Public Plans - Equity Allocation 45%-55% Median			9.67	19.46	7.95	4.18	6.73
Domestic Equity	16,193,821	43.6	20.40 (28)	32.83 (48)	7.41 (46)	0.88 (46)	15.90 (39)
Russell 3000 Index			20.46 (27)	31.88 (51)	15.00 (33)	2.92 (34)	17.58 (32)
IM U.S. Equity (MF) Median			15.07	31.93	4.43	0.15	13.34
Vanguard Russell 3000 Idx (VRTTX)	16,193,821	43.6	20.40 (27)	31.77 (60)	N/A	N/A	N/A
Russell 3000 Index			20.46 (26)	31.88 (59)	15.00 (19)	2.92 (29)	17.58 (19)
IM U.S. Core Equity (MF) Median			16.38	34.83	4.03	-0.41	13.83
International Equity	3,572,077	9.6	23.94 (29)	29.20 (24)	3.37 (61)	-0.92 (42)	-2.33 (72)
Total International Equity Policy			21.02 (41)	24.45 (44)	3.45 (61)	-0.72 (40)	2.25 (30)
IM International Equity (MF) Median			19.12	23.08	6.54	-1.89	0.18
Vanguard Developed Mkts Index (VTMGX)	176,435	0.5	24.01 (53)	26.51 (35)	N/A	N/A	N/A
Vanguard Spliced Developed ex U.S. Index (Net)			23.77 (54)	27.38 (26)	2.06 (56)	-2.26 (38)	3.03 (6)
IM International Large Cap Core Equity (MF) Median			24.25	24.28	2.82	-2.78	1.30
Pear Tree Polaris Foreign Value (QFVRX)	2,047,260	5.5	26.94 (66)	37.43 (19)	N/A	N/A	N/A
MSCI EAFE Value Index (Net)			31.51 (34)	30.66 (48)	-11.93 (85)	-4.92 (27)	-0.36 (54)
MSCI EAFE (Net) Index			25.65 (75)	25.73 (78)	0.49 (10)	-1.34 (11)	2.74 (10)
IM International Value Equity (MF) Median			28.68	30.13	-6.00	-6.37	-0.16
American Funds Europacific Growth R6 (RERGX)	1,348,382	3.6	19.64 (43)	25.56 (25)	14.97 (50)	1.14 (54)	N/A
MSCI AC World ex USA Growth (Net)			15.84 (85)	16.95 (81)	17.54 (30)	2.03 (41)	3.08 (43)
MSCI AC World ex USA (Net)			20.39 (41)	23.92 (32)	3.00 (91)	-1.23 (73)	1.76 (59)
IM International Large Cap Growth Equity (MF) Median			18.88	20.62	14.87	1.35	2.48

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

Mutual fund and ETF investments are reported net of fees.

All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



Asset Allocation & Performance

Total Fund

As of September 30, 2023

	Allocation		Performance(%)				
	Market Value \$	%	FYTD	FY2021	FY2020	FY2019	FY2018
Non-Traditional Assets	571,827	1.5	8.29	13.07	4.84	4.81	5.22
Crescent Direct Lending Levered Fund II	571,827	1.5	8.29	13.07	4.82	10.49	N/A
Total Fixed Income	12,126,547	32.7	2.75 (5)	0.88 (25)	7.05 (46)	10.27 (25)	-0.65 (16)
Fixed Income Composite Index			0.68 (55)	-0.54 (74)	7.17 (40)	10.10 (35)	-1.12 (35)
IM U.S. Broad Market Core Fixed Income (MF) Median			0.77	0.16	6.94	9.78	-1.32
Galliard Intermediate Core	10,081,687	27.2	1.87 (63)	N/A	N/A	N/A	N/A
Bloomberg Intermed Aggregate Index			1.42 (71)	-0.38 (72)	5.66 (52)	8.08 (18)	-0.93 (63)
IM U.S. Intermediate Duration (SA+CF+MF) Median			2.26	0.17	5.75	6.61	-0.74
PIMCO Div Inc Bond Fund (PDIIX)	2,044,861	5.5	7.29 (7)	4.79 (6)	3.50 (74)	9.54 (20)	N/A
Blmbg. Global Credit (Hedged)			5.27 (13)	2.72 (22)	5.26 (53)	10.83 (12)	0.39 (16)
IM Global Fixed Income (MF) Median			2.65	0.89	5.39	7.65	-1.33
Liquid Reserves	717,258	1.9					

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

Mutual fund and ETF investments are reported net of fees.

All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



Asset Allocation & Performance [Net of Fees] - Fiscal Year Returns

	Performance(%)				
	FY2017	FY2016	FY2015	FY2014	FY2013
Total Fund (Net of PBA Fees)	10.31 (57)	7.16 (98)	-6.34 (100)	8.51 (76)	12.77 (14)
Total Fund Policy	9.69 (85)	6.94 (99)	-1.91 (80)	7.36 (95)	9.79 (58)
All Public Plans - Equity Allocation 45%-55% Median	10.87	9.10	-0.67	8.82	9.87
Total Fund	10.31 (57)	7.16 (98)	-6.34 (100)	8.51 (76)	12.77 (14)
Total Fund Policy	9.69 (85)	6.94 (99)	-1.91 (80)	7.36 (95)	9.79 (58)
60% S&P 500/40% Blbg BC Aggregate Index	10.90 (50)	11.43 (1)	0.95 (9)	13.28 (1)	10.58 (35)
All Public Plans - Equity Allocation 45%-55% Median	10.87	9.10	-0.67	8.82	9.87
Domestic Equity	17.81 (48)	13.63 (38)	-1.23 (53)	15.92 (36)	21.80 (54)
Russell 3000 Index	18.71 (40)	14.96 (28)	-0.49 (46)	17.76 (23)	21.60 (55)
IM U.S. Equity (MF) Median	17.56	12.15	-0.92	13.76	22.53
Vanguard Russell 3000 Idx (VRTTX)	N/A	N/A	N/A	N/A	N/A
Russell 3000 Index	18.71 (41)	14.96 (27)	-0.49 (43)	17.76 (22)	21.60 (63)
IM U.S. Core Equity (MF) Median	18.05	12.68	-0.94	13.58	23.99
International Equity	21.40 (33)	5.63 (75)	-12.84 (68)	9.63 (9)	25.48 (15)
Total International Equity Policy	19.10 (53)	6.52 (67)	-8.66 (50)	4.25 (51)	23.77 (22)
IM International Equity (MF) Median	19.36	9.30	-8.69	4.27	17.88
Vanguard Developed Mkts Index (VTMGX)	N/A	N/A	N/A	N/A	N/A
Vanguard Spliced Developed ex U.S. Index (Net)	19.33 (39)	8.23 (25)	-8.43 (53)	4.24 (41)	23.93 (24)
IM International Large Cap Core Equity (MF) Median	18.72	5.11	-8.36	3.27	21.58
Pear Tree Polaris Foreign Value (QFVRX)	N/A	N/A	N/A	N/A	N/A
MSCI EAFE Value Index (Net)	22.55 (24)	3.52 (73)	-12.60 (77)	5.65 (34)	24.27 (35)
MSCI EAFE (Net) Index	19.10 (60)	6.52 (35)	-8.66 (42)	4.25 (63)	23.77 (41)
IM International Value Equity (MF) Median	20.25	5.30	-9.62	4.88	22.45
American Funds Europacific Growth R6 (RERGX)	N/A	N/A	N/A	N/A	N/A
MSCI AC World ex USA Growth (Net)	17.68 (49)	11.50 (15)	-8.12 (73)	4.29 (52)	16.16 (82)
MSCI AC World ex USA (Net)	19.61 (20)	9.26 (25)	-12.16 (97)	4.77 (45)	16.48 (79)
IM International Large Cap Growth Equity (MF) Median	17.62	7.50	-5.60	4.36	19.50

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

Mutual fund and ETF investments are reported net of fees.

All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



Asset Allocation & Performance

Total Fund

As of September 30, 2023

	Performance(%)				
	FY2017	FY2016	FY2015	FY2014	FY2013
Non-Traditional Assets	9.34	-0.33	-3.25	5.84	11.24
Crescent Direct Lending Levered Fund II	N/A	N/A	N/A	N/A	N/A
Total Fixed Income	0.02 (68)	3.03 (98)	2.51 (26)	1.75 (97)	-0.73 (19)
Fixed Income Composite Index	-0.01 (71)	3.35 (96)	2.50 (27)	2.29 (94)	-0.85 (23)
IM U.S. Broad Market Core Fixed Income (MF) Median	0.50	5.23	1.96	4.24	-1.60
Galliard Intermediate Core	N/A	N/A	N/A	N/A	N/A
Bloomberg Intermed Aggregate Index	0.25 (63)	3.57 (32)	2.95 (11)	2.74 (28)	-0.71 (47)
IM U.S. Intermediate Duration (SA+CF+MF) Median	0.45	3.14	1.86	2.22	-0.80
PIMCO Div Inc Bond Fund (PDIIX)	N/A	N/A	N/A	N/A	N/A
Blmbg. Global Credit (Hedged)	3.04 (29)	9.19 (25)	0.86 (19)	6.83 (10)	1.46 (9)
IM Global Fixed Income (MF) Median	1.10	7.40	-3.88	3.35	-1.81
Liquid Reserves					

Returns for periods greater than one year are annualized.

Returns are expressed as percentages.

Mutual fund and ETF investments are reported net of fees.

All Public Plan Peer Group was changed to All Public Plans - Equity Allocation 45%-55% effective 12/31/20.



Comparative Performance - IRR
Private Investments
As of September 30, 2023

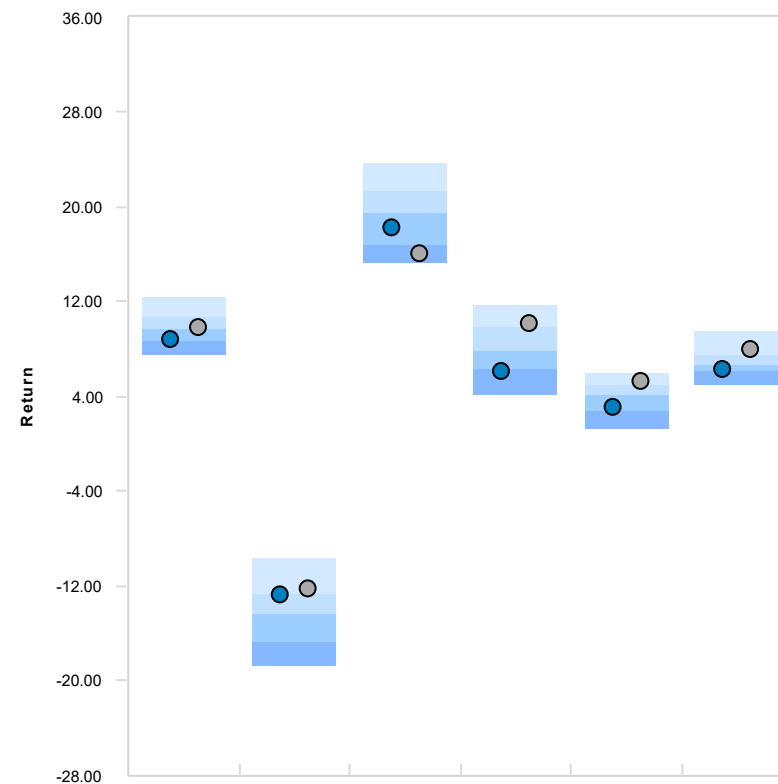
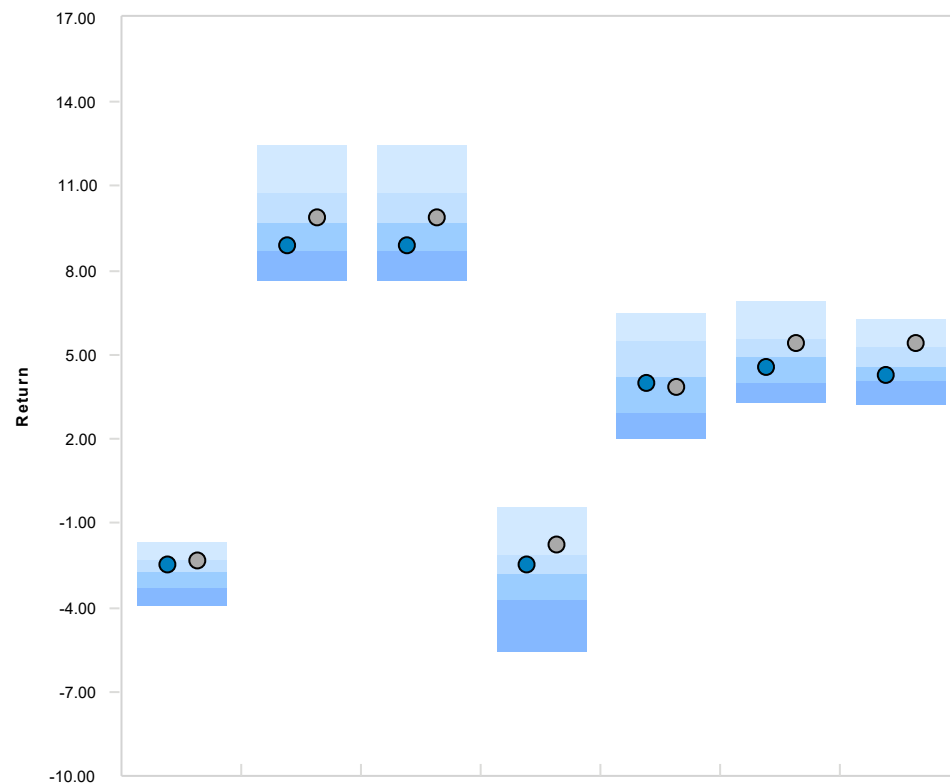
Comparative Performance - IRR						
	QTD	1 YR	3 YR	5 YR	Inception	Inception Date
Crescent Direct Lending Levered Fund II	0.00	8.24	9.86	8.69	8.93	03/13/2018
Intercontinental U.S. REIF	-1.04	-16.48	4.82	4.82	5.21	04/30/2018
Principal Enhanced Property Fund	-2.74	-15.09	7.69	5.70	5.70	10/01/2018

Financial Reconciliation: Quarter To Date									
	Market Value 07/01/2023	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 09/30/2023
Domestic Equity	16,739,485	-	-	-	-	-	62,290	-607,955	16,193,821
Vanguard Russell 3000 Idx (VRTTX)	16,739,485	-	-	-	-	-	62,290	-607,955	16,193,821
International Equity	3,716,866	-	-	-	-	-	1,234	-146,023	3,572,077
Vanguard Developed Mkts Index (VTMGX)	185,108	-	-	-	-	-	1,234	-9,907	176,435
Pear Tree Polaris Foreign Value (QFVRX)	2,092,276	-	-	-	-	-	-	-45,016	2,047,260
American Funds Europacific Growth R6 (RERGX)	1,439,481	-	-	-	-	-	-	-91,100	1,348,382
Non-Traditional Assets	571,827	-	-	-	-	-	-	-	571,827
Crescent Direct Lending Levered Fund II	571,827	-	-	-	-	-	-	-	571,827
Broad Market Fixed Income	10,264,689	-	-	-	-	-	-	-183,003	10,081,687
Galliard Intermediate Core	10,264,689	-	-	-	-	-	-	-183,003	10,081,687
Met West Total Return Bond Fund (MWTIX)	-	-	-	-	-	-	-	-	-
Non-Core Fixed Income	2,067,537	-	-	-	-	-	33,896	-56,573	2,044,861
PIMCO Div Inc Bond Fund (PDIIX)	2,067,537	-	-	-	-	-	33,896	-56,573	2,044,861
Real Estate	4,006,197	-	-	-	-10,989	-	36,236	-89,983	3,941,461
Intercontinental U.S. REIF	2,649,352	-	-	-	-6,194	-	18,742	-40,115	2,621,785
Principal Enhanced Property Fund	1,356,845	-	-	-	-4,794	-	17,494	-49,868	1,319,676
Liquid Capital	705,551	-	-	-	-	-2,155	11,532	2,329	717,258
Liquid Reserves	705,551	-	-	-	-	-2,155	11,532	2,329	717,258
Total Fund	38,072,152	-	-	-	-10,989	-2,155	145,189	-1,081,207	37,122,991

Financial Reconciliation: Fiscal Year To Date

	Market Value 10/01/2022	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Income	Apprec./ Deprec.	Market Value 09/30/2023
Domestic Equity	13,450,498	-	-	-	-	-	255,347	2,487,976	16,193,821
Vanguard Russell 3000 Idx (VRTTX)	13,450,498	-	-	-	-	-	255,347	2,487,976	16,193,821
International Equity	2,882,067	-	-	-	-	-	101,979	588,031	3,572,077
Vanguard Developed Mkts Index (VTMGX)	142,270	-	-	-	-	-	5,475	28,691	176,435
Pear Tree Polaris Foreign Value (QFVRX)	1,612,764	-	-	-	-	-	72,499	361,997	2,047,260
American Funds Europacific Growth R6 (RERGX)	1,127,033	-	-	-	-	-	24,005	197,344	1,348,382
Non-Traditional Assets	589,102	-61,911	-	-	-	-	-	44,636	571,827
Crescent Direct Lending Levered Fund II	589,102	-61,911	-	-	-	-	-	44,636	571,827
Broad Market Fixed Income	9,896,549	-	-	-	-	-	-	185,138	10,081,687
Galliard Intermediate Core	9,896,549	-	-	-	-	-	-	185,138	10,081,687
Met West Total Return Bond Fund (MWTIX)	-	-	-	-	-	-	-	-	-
Non-Core Fixed Income	1,905,865	-	-	-	-	-	102,679	36,317	2,044,861
PIMCO Div Inc Bond Fund (PDIIX)	1,905,865	-	-	-	-	-	102,679	36,317	2,044,861
Real Estate	4,693,492	-	-	-	-49,733	-	127,654	-829,952	3,941,461
Intercontinental U.S. REIF	3,139,205	-	-	-	-29,508	-	53,984	-541,897	2,621,785
Principal Enhanced Property Fund	1,554,287	-	-	-	-20,225	-	73,669	-288,055	1,319,676
Liquid Capital	1,219,692	61,911	6,087	-600,000	-1,967	-6,274	29,006	8,804	717,258
Liquid Reserves	1,219,692	61,911	6,087	-600,000	-1,967	-6,274	29,006	8,804	717,258
Total Fund	34,637,264	-	6,087	-600,000	-51,700	-6,274	616,663	2,520,950	37,122,991

Plan Sponsor Peer Group Analysis - All Public Plans - Equity Allocation 45%-55%

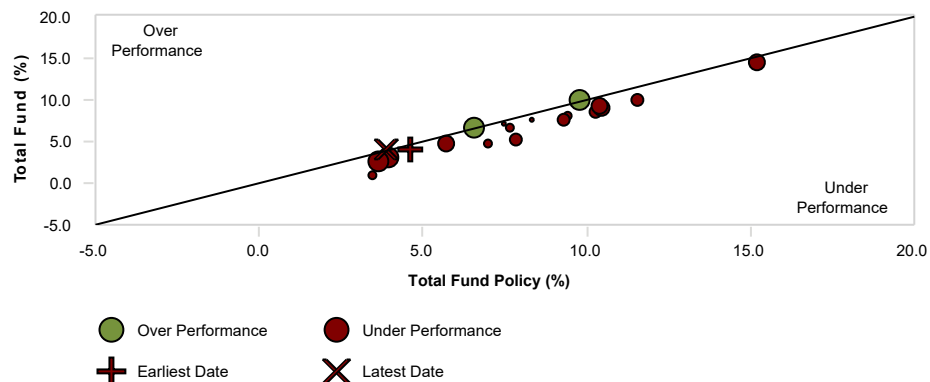


Comparative Performance

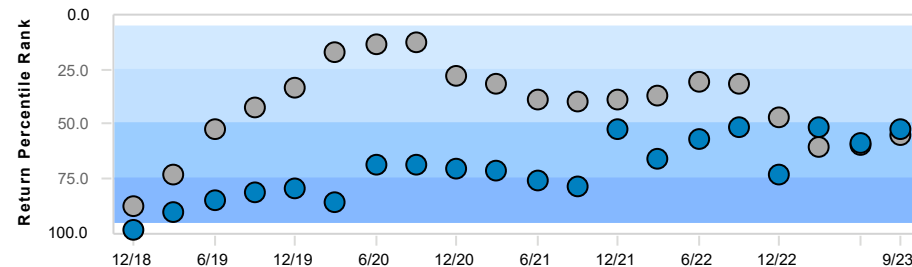
	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Total Fund	3.10 (37)	4.15 (48)	4.04 (93)	-3.70 (20)	-9.09 (18)	-4.81 (49)
Total Fund Policy	3.20 (31)	4.21 (45)	4.63 (82)	-3.87 (32)	-9.11 (18)	-4.08 (30)
All Public Plans - Equity Allocation 45%-55% Median	2.91	4.09	5.34	-4.23	-11.02	-4.89



3 Yr Rolling Under/Over Performance - 5 Years

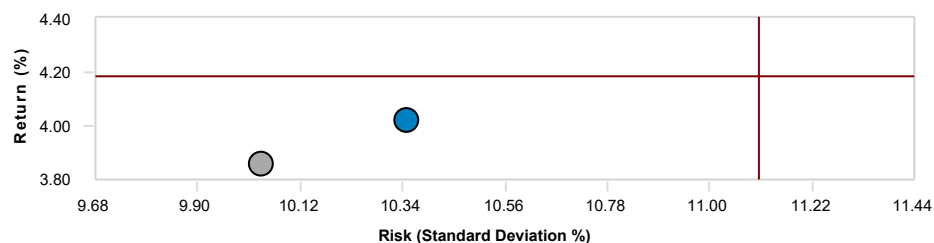


3 Yr Rolling Percentile Ranking - 5 Years



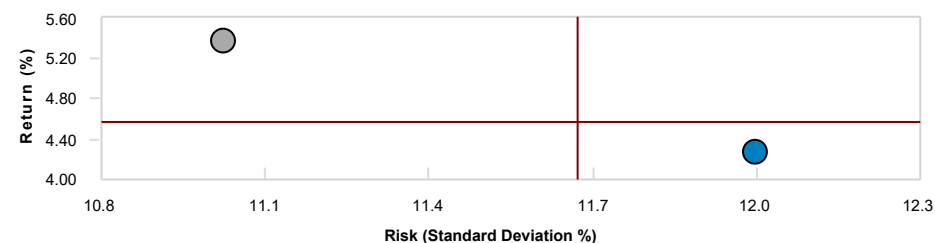
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Fund	20	0 (0%)	0 (0%)	12 (60%)	8 (40%)
Total Fund Policy	20	3 (15%)	11 (55%)	5 (25%)	1 (5%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Fund	4.02	10.35
Total Fund Policy	3.86	10.03
Median	4.19	11.10

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Fund	4.29	12.00
Total Fund Policy	5.39	11.02
Median	4.57	11.67

Historical Statistics - 3 Years

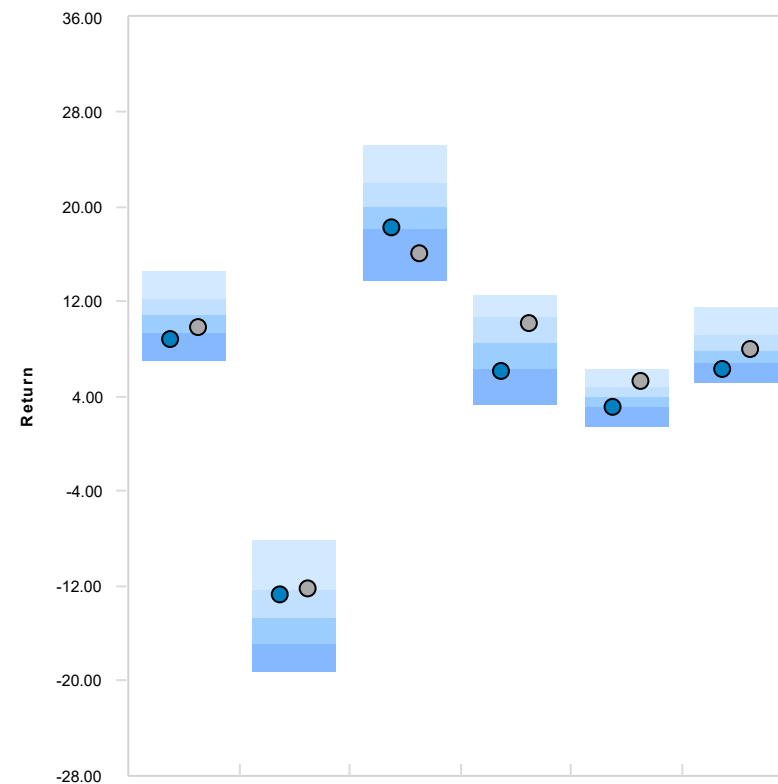
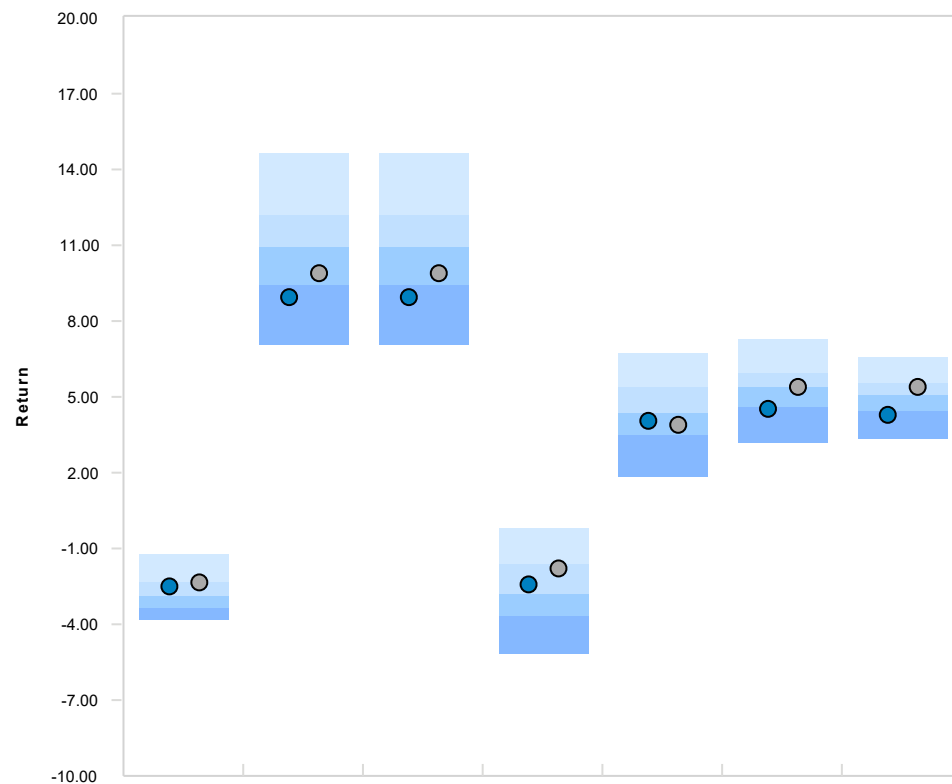
	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	0.94	102.76	102.21	0.07	0.20	0.27	1.03	6.74
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.26	1.00	6.65

Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.62	102.40	110.73	-1.41	-0.58	0.27	1.08	8.43
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.37	1.00	7.44



Plan Sponsor Peer Group Analysis - All Public Plans-Total Fund

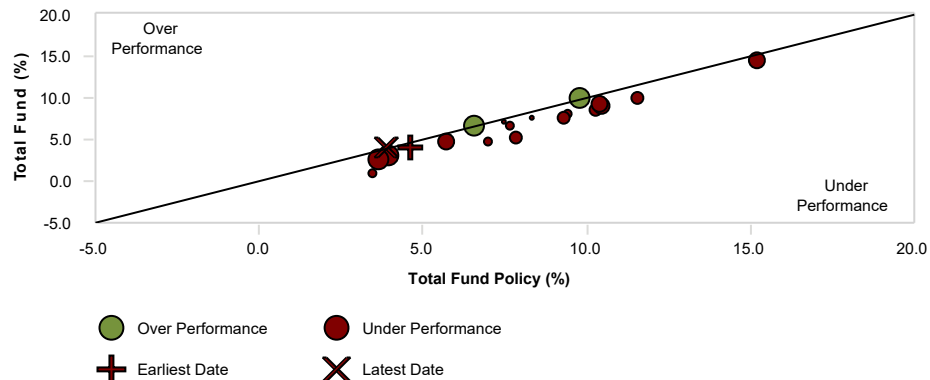


Comparative Performance

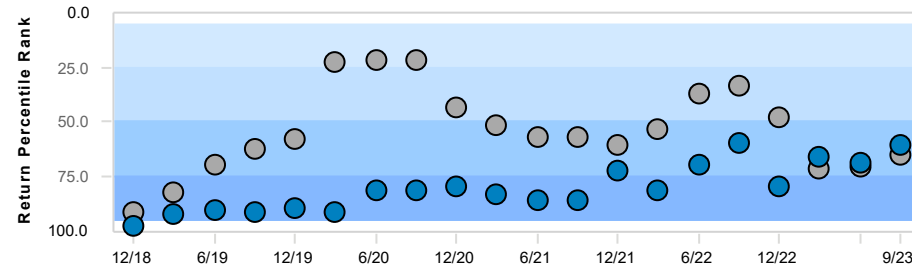
	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Total Fund	3.10 (61)	4.15 (58)	4.04 (92)	-3.70 (22)	-9.09 (22)	-4.81 (47)
Total Fund Policy	3.20 (56)	4.21 (55)	4.63 (82)	-3.87 (29)	-9.11 (22)	-4.08 (27)
All Public Plans-Total Fund Median	3.30	4.30	5.67	-4.31	-10.64	-4.92



3 Yr Rolling Under/Over Performance - 5 Years

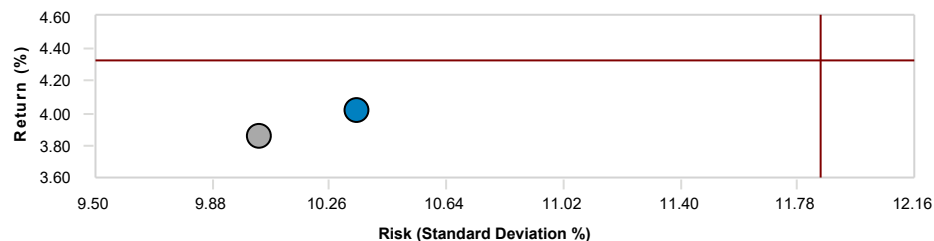


3 Yr Rolling Percentile Ranking - 5 Years



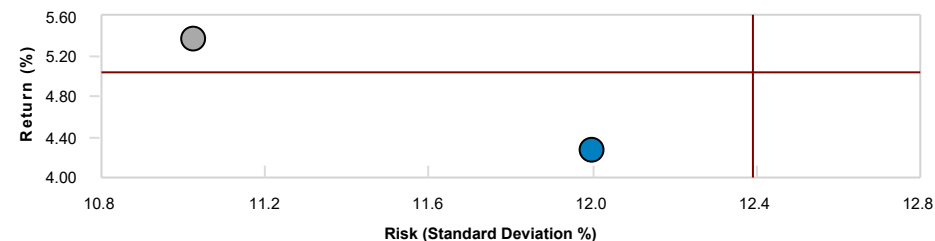
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Total Fund	20	0 (0%)	0 (0%)	6 (30%)	14 (70%)
Total Fund Policy	20	3 (15%)	4 (20%)	11 (55%)	2 (10%)

Peer Group Scattergram - 3 Years



	Return	Standard Deviation
Total Fund	4.02	10.35
Total Fund Policy	3.86	10.03
Median	4.33	11.85

Peer Group Scattergram - 5 Years



	Return	Standard Deviation
Total Fund	4.29	12.00
Total Fund Policy	5.39	11.02
Median	5.06	12.39

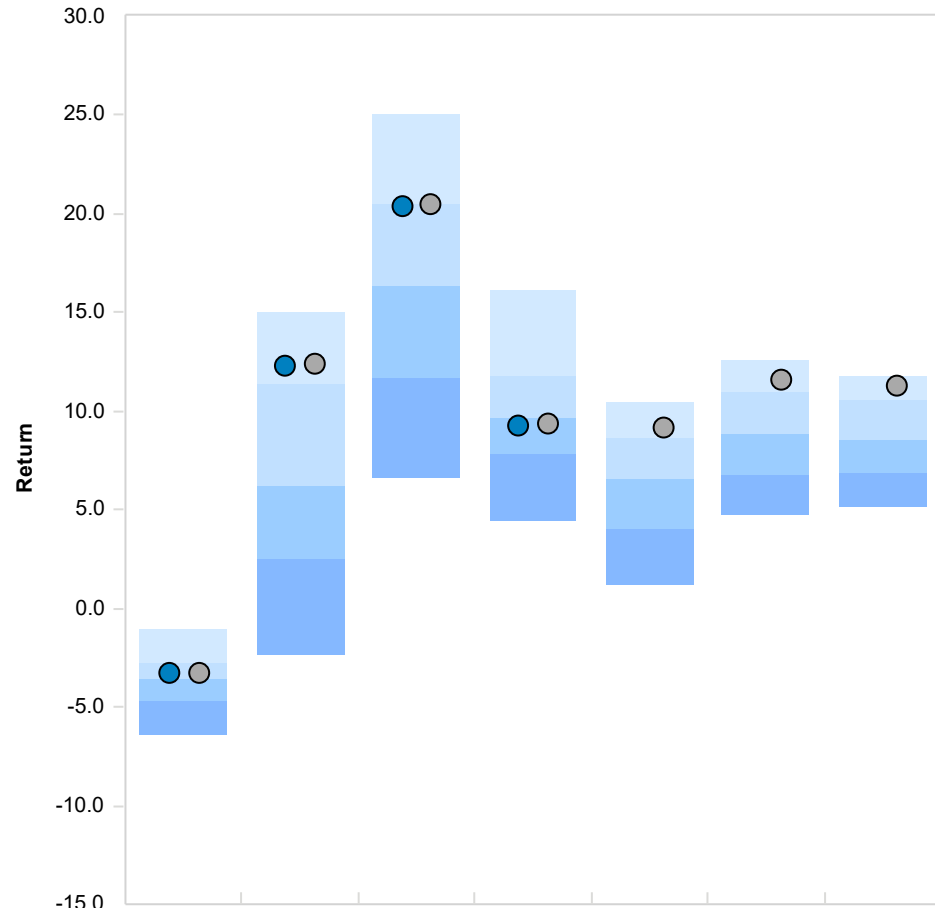
Historical Statistics - 3 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	0.94	102.76	102.21	0.07	0.20	0.27	1.03	6.74
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.26	1.00	6.65

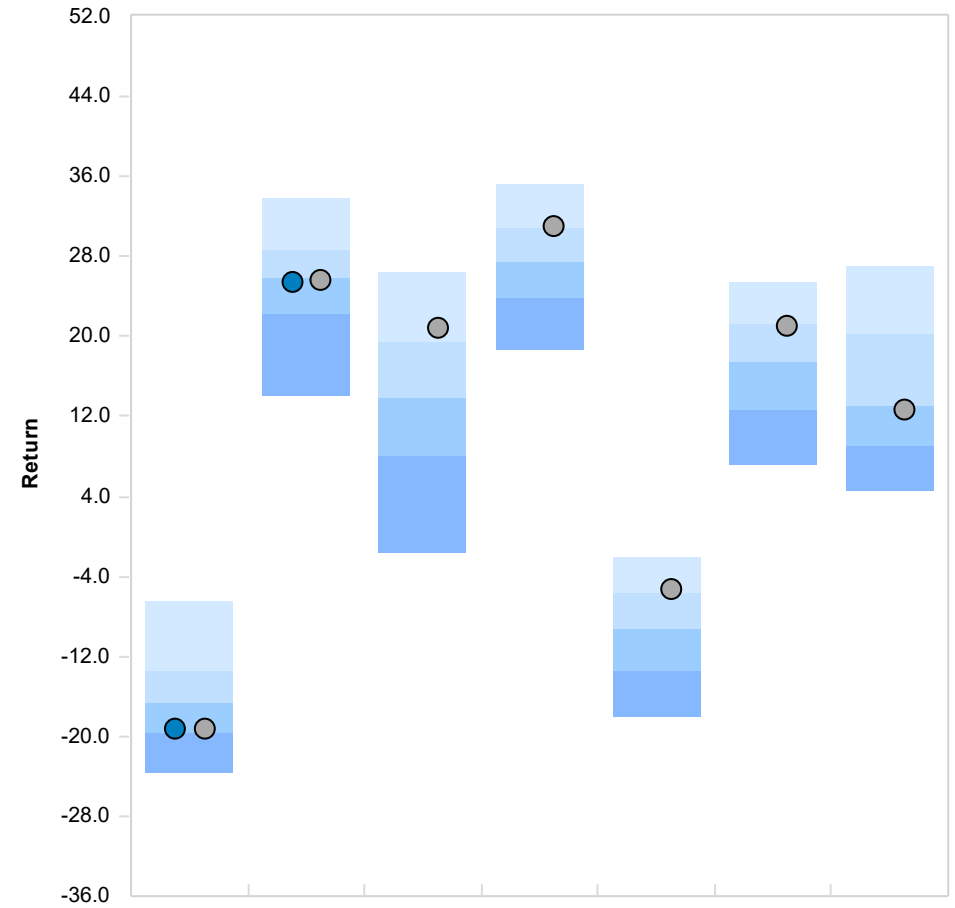
Historical Statistics - 5 Years

	Tracking Error	Up Market Capture	Down Market Capture	Alpha	Information Ratio	Sharpe Ratio	Beta	Downside Risk
Total Fund	1.62	102.40	110.73	-1.41	-0.58	0.27	1.08	8.43
Total Fund Policy	0.00	100.00	100.00	0.00	N/A	0.37	1.00	7.44

Peer Group Analysis - IM U.S. Core Equity (MF)



Peer Group Analysis - IM U.S. Core Equity (MF)

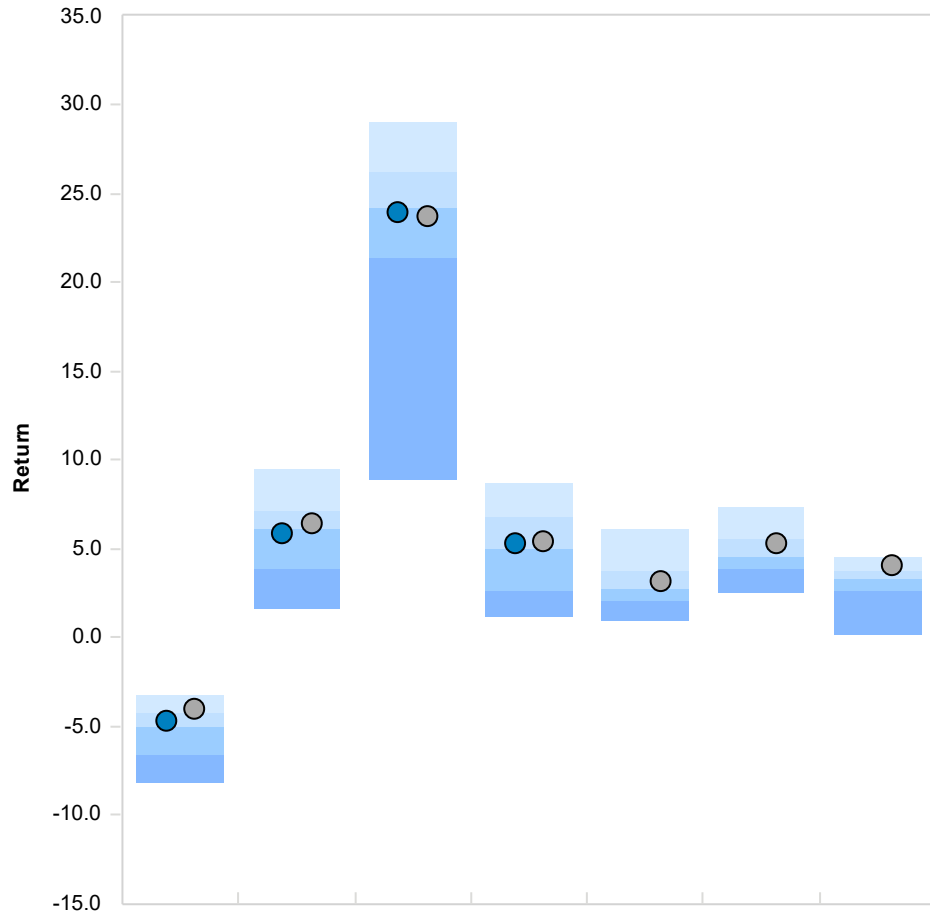


Comparative Performance

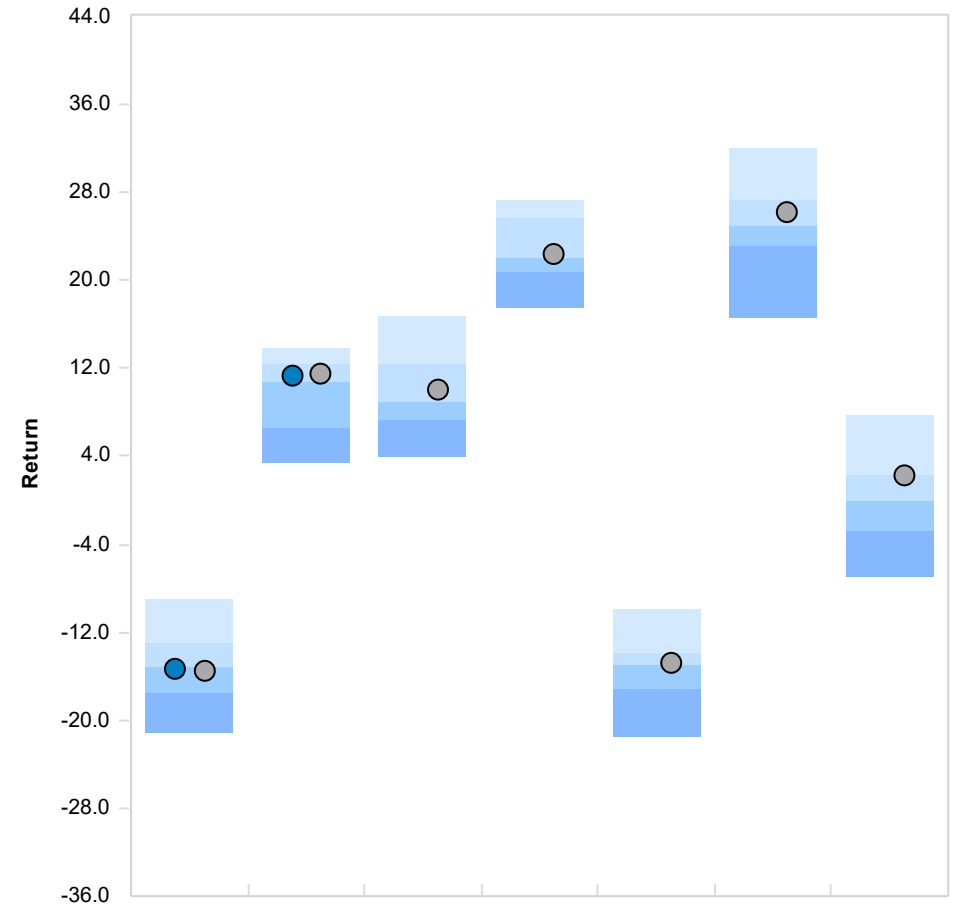
	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	8.37 (21)	7.16 (20)	7.16 (75)	-4.47 (43)	-16.71 (77)	-5.30 (46)
Index	8.39 (20)	7.18 (20)	7.18 (74)	-4.46 (42)	-16.70 (77)	-5.28 (45)
Median	5.73	4.59	8.85	-4.67	-15.25	-5.50



Peer Group Analysis - IM International Large Cap Core Equity (MF)



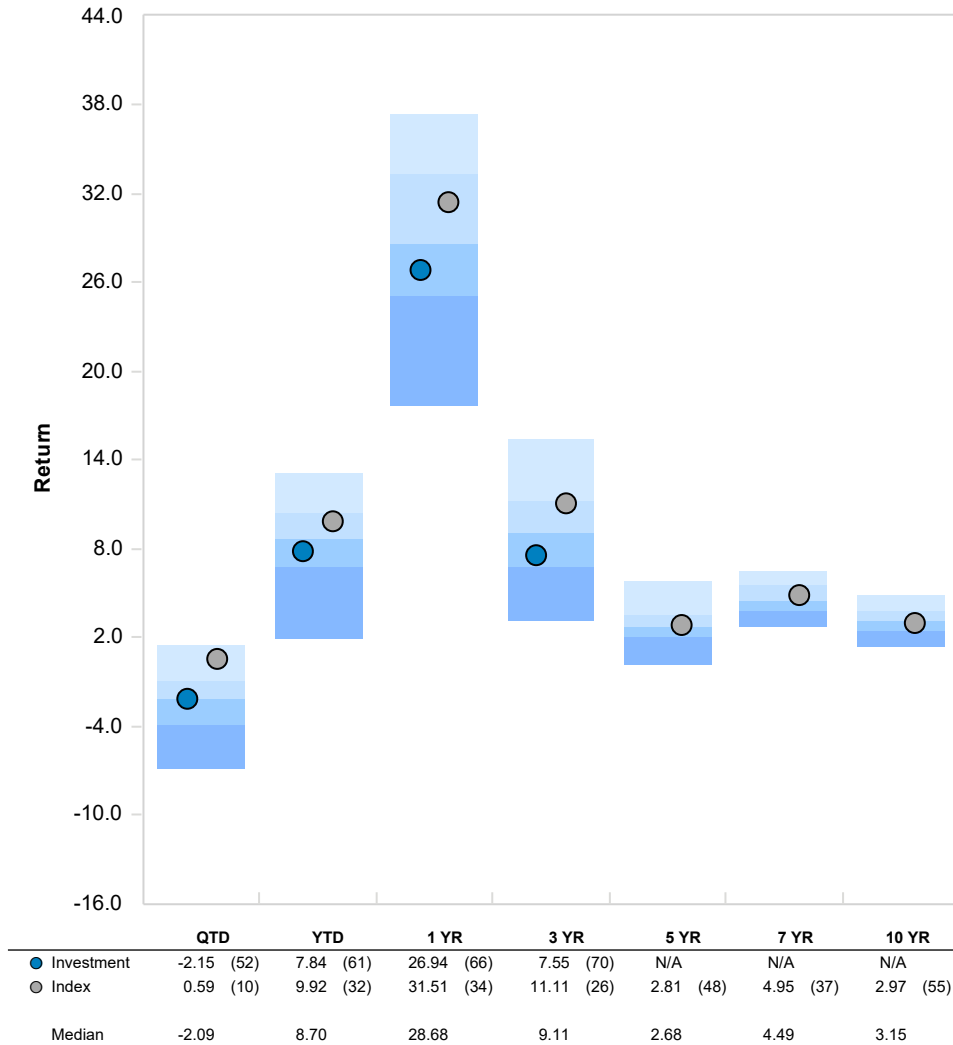
Peer Group Analysis - IM International Large Cap Core Equity (MF)



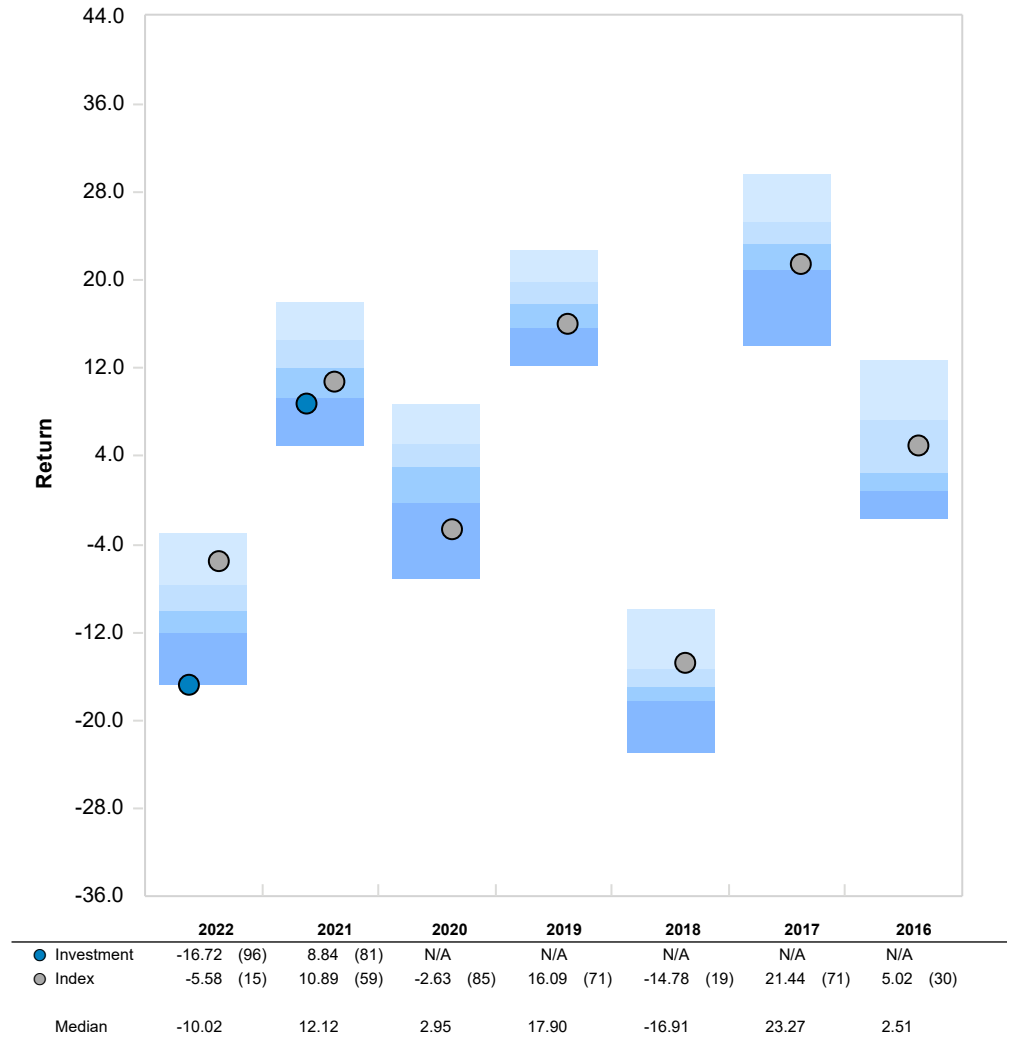
Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	3.14 (55)	7.72 (72)	17.11 (51)	-10.44 (62)	-14.06 (76)	-6.05 (27)
Index	3.00 (67)	7.62 (73)	16.28 (67)	-9.59 (32)	-15.23 (88)	-5.27 (20)
Median	3.20	8.47	17.19	-10.19	-13.27	-6.90

Peer Group Analysis - IM International Value Equity (MF)



Peer Group Analysis - IM International Value Equity (MF)



Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	1.91 (82)	8.14 (35)	17.72 (70)	-11.84 (69)	-14.97 (98)	-5.62 (76)
Index	3.15 (39)	5.93 (84)	19.64 (39)	-10.20 (31)	-12.41 (68)	0.33 (5)
Median	2.90	7.28	18.65	-10.98	-11.64	-3.66

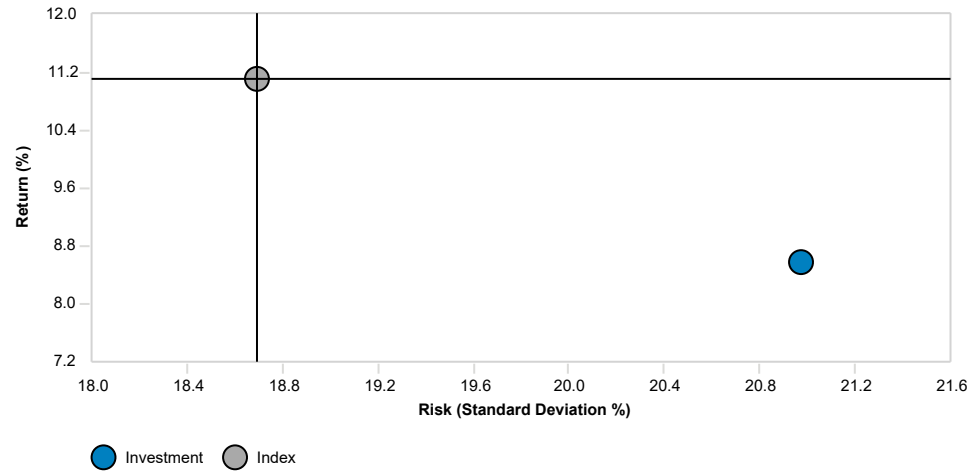
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	8.57	20.97	0.41	99.53	7	109.63	5
Index	11.11	18.69	0.57	100.00	9	100.00	3

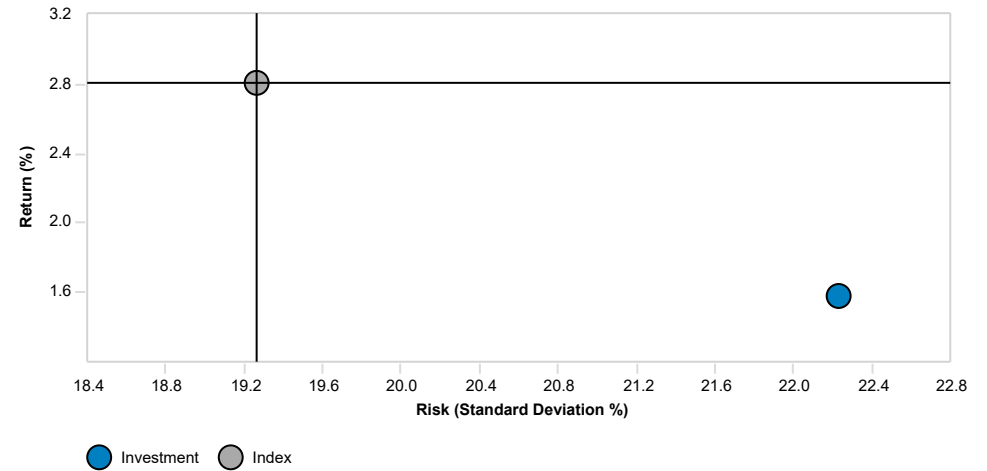
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.57	22.23	0.11	108.84	12	113.11	8
Index	2.81	19.26	0.15	100.00	14	100.00	6

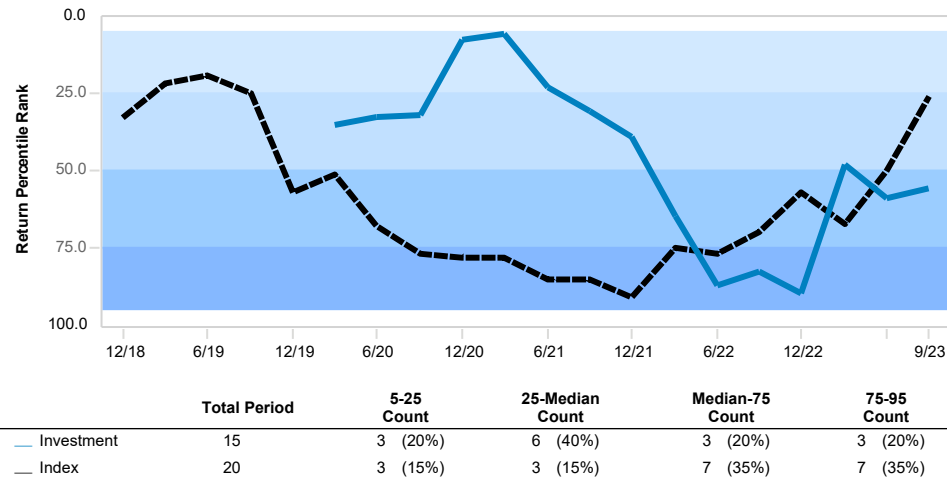
Risk and Return 3 Years



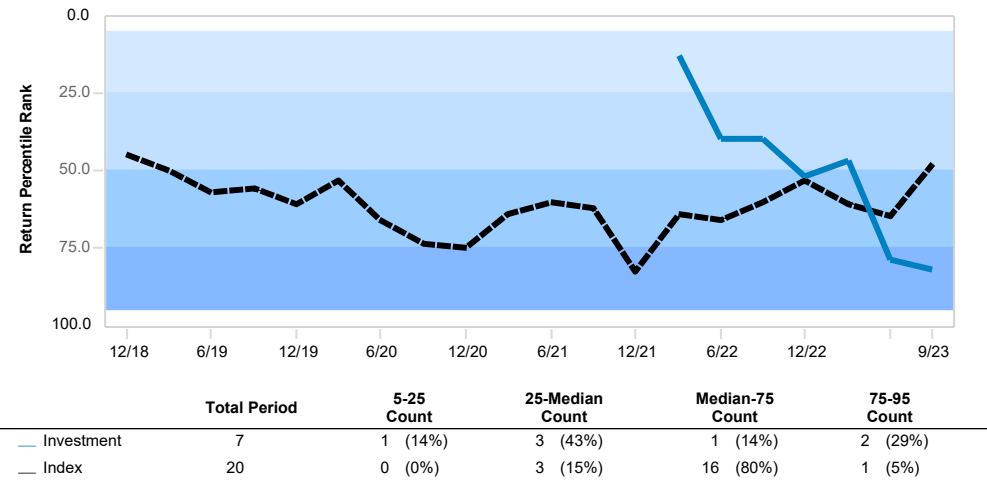
Risk and Return 5 Years



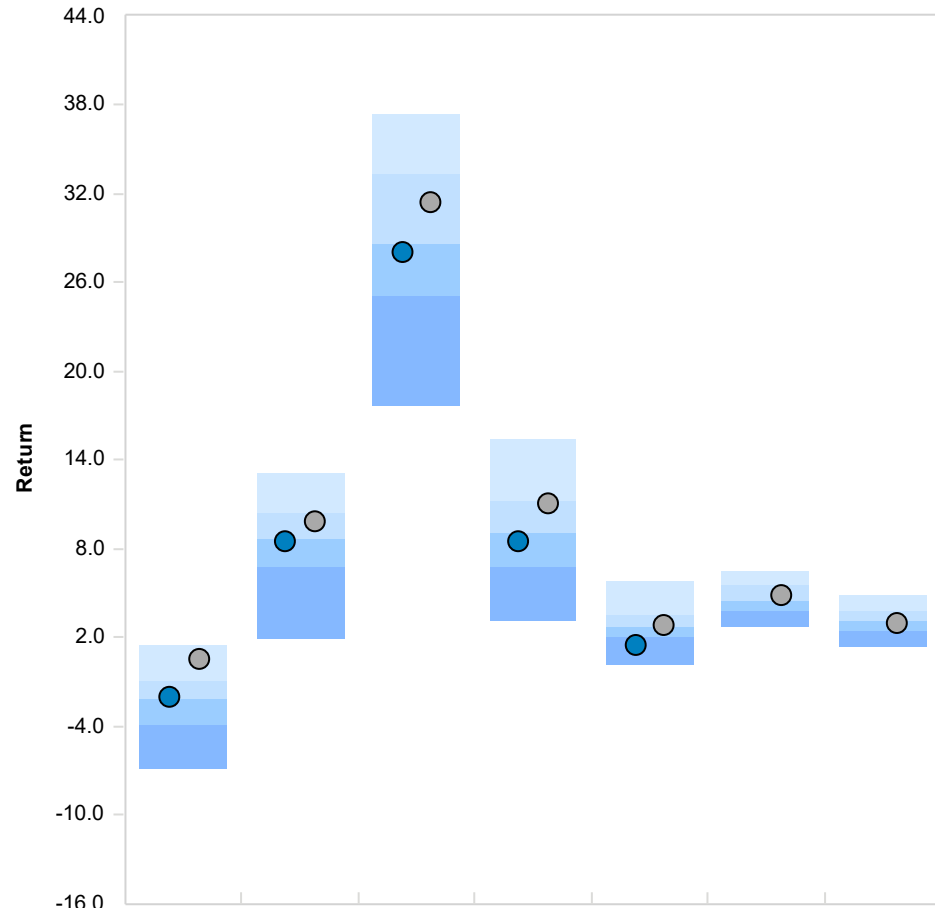
3 Year Rolling Percentile Rank IM International Value Equity (MF)



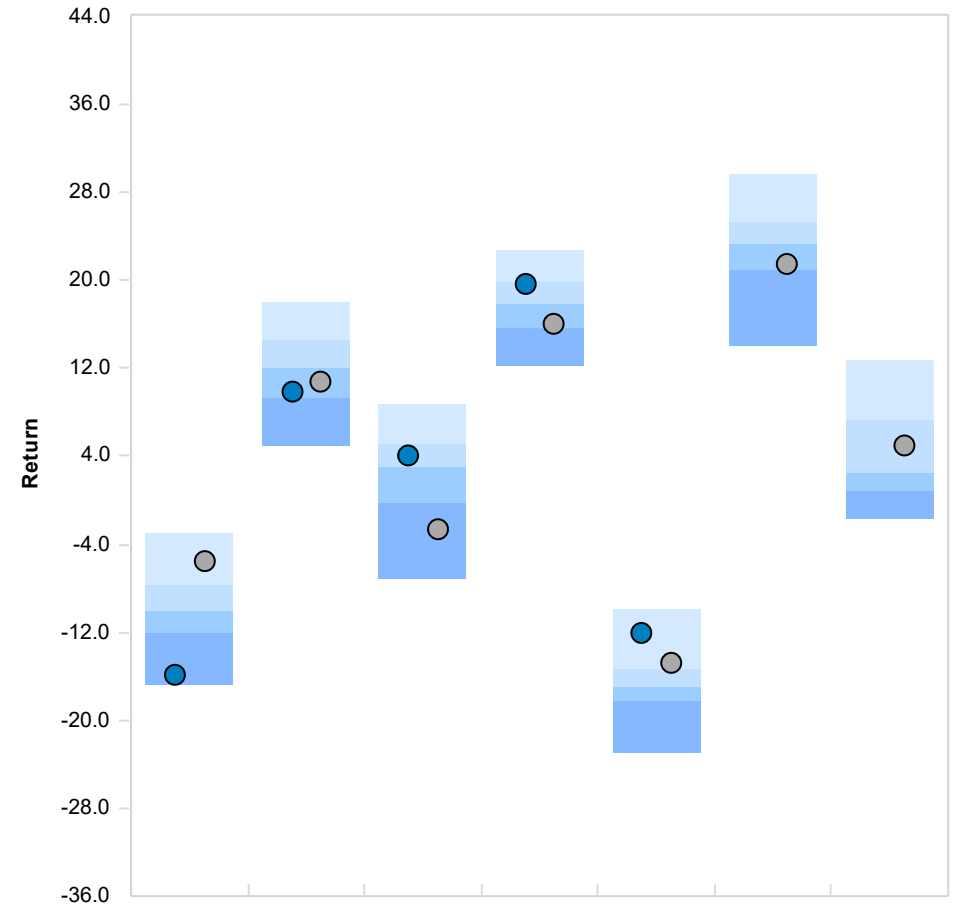
5 Year Rolling Percentile Rank IM International Value Equity (MF)



Peer Group Analysis - IM International Value Equity (MF)



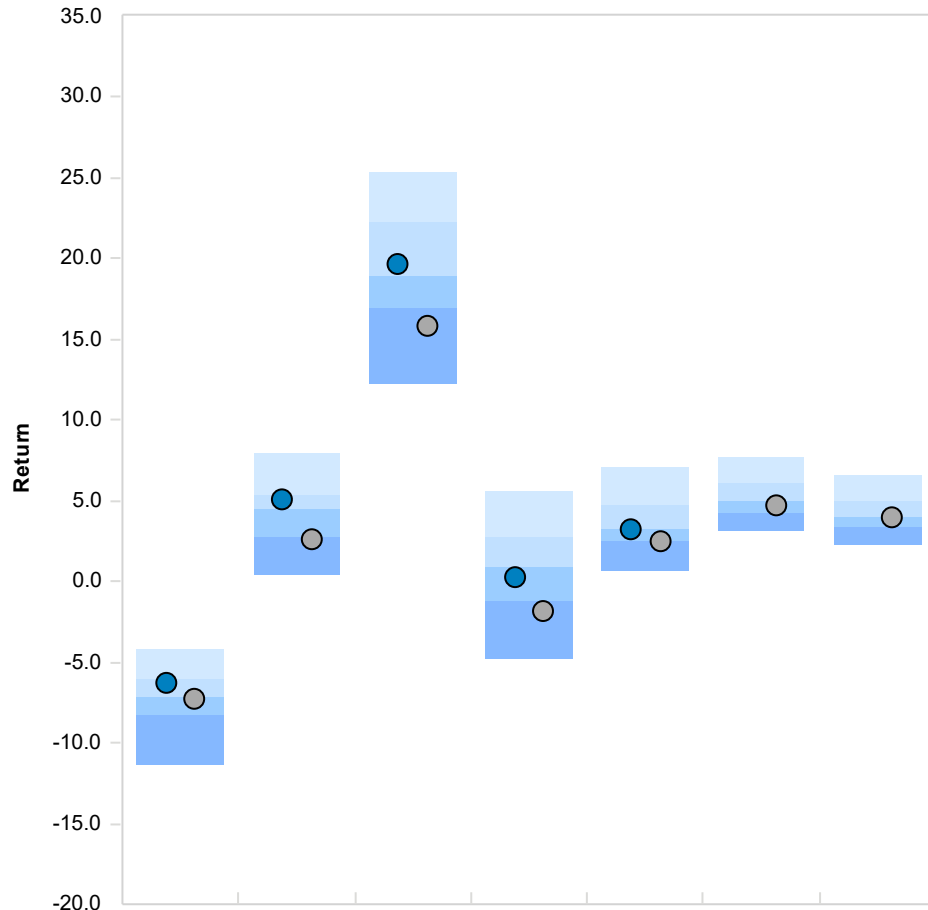
Peer Group Analysis - IM International Value Equity (MF)



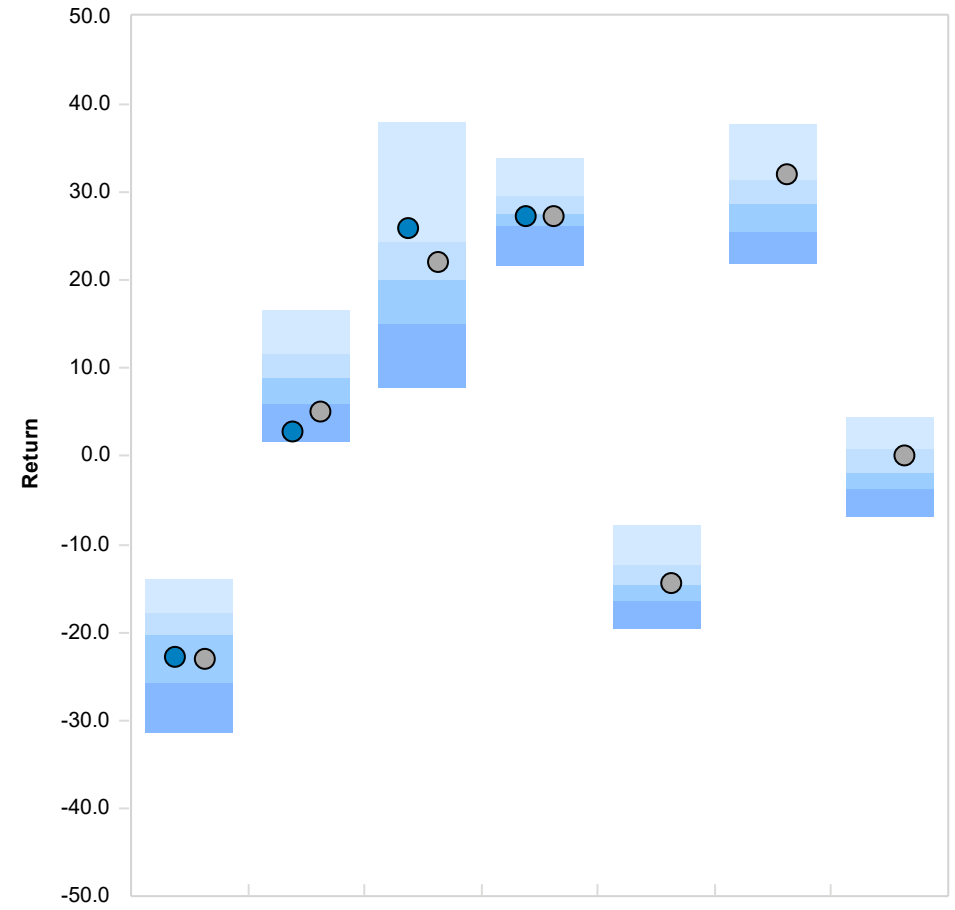
Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	2.14 (75)	8.39 (34)	17.98 (67)	-11.63 (63)	-14.76 (97)	-5.39 (75)
Index	3.15 (39)	5.93 (84)	19.64 (39)	-10.20 (31)	-12.41 (68)	0.33 (5)
Median	2.90	7.28	18.65	-10.98	-11.64	-3.66

Peer Group Analysis - IM International Large Cap Growth Equity (MF)



Peer Group Analysis - IM International Large Cap Growth Equity (MF)



Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	2.16 (63)	9.87 (42)	13.78 (65)	-9.33 (39)	-14.65 (49)	-12.24 (59)
Index	1.94 (74)	8.59 (64)	12.89 (80)	-9.37 (41)	-15.71 (66)	-10.78 (46)
Median	2.45	9.63	14.64	-9.57	-14.68	-10.99

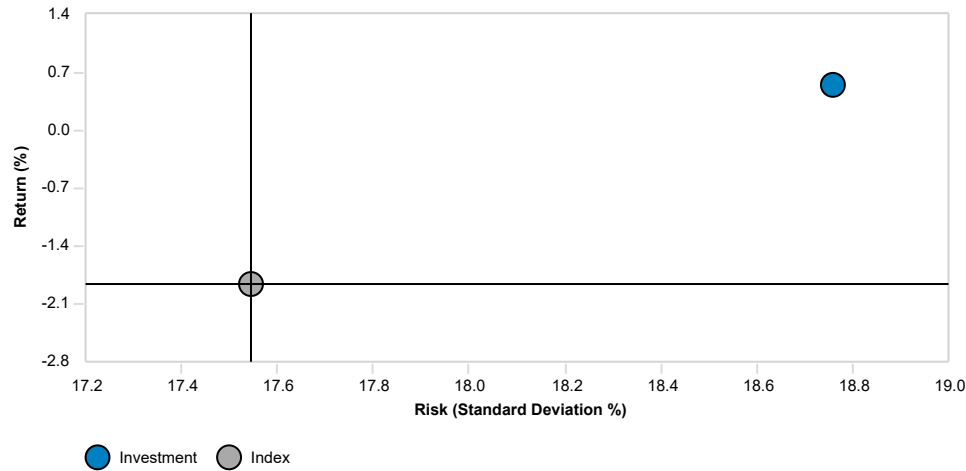
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	0.55	18.76	0.03	108.72	5	97.79	7
Index	-1.86	17.55	-0.12	100.00	6	100.00	6

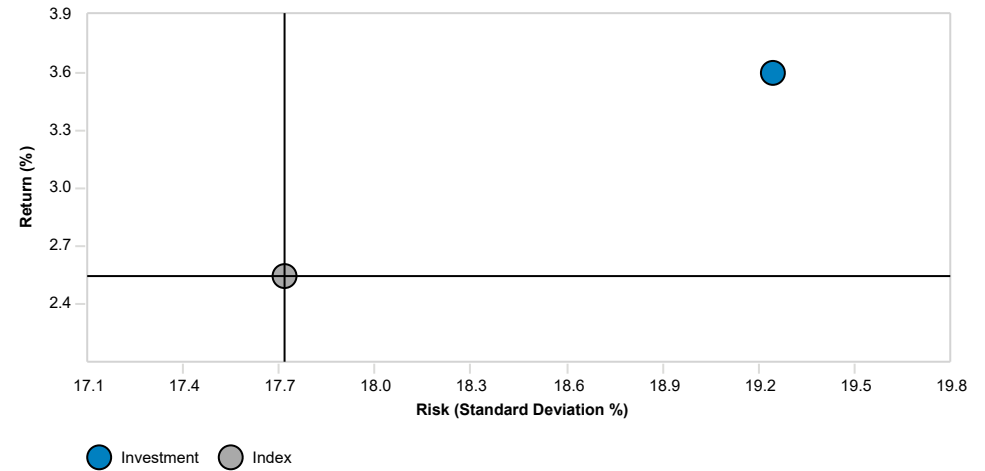
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	3.60	19.24	0.19	109.05	10	104.94	10
Index	2.54	17.72	0.13	100.00	11	100.00	9

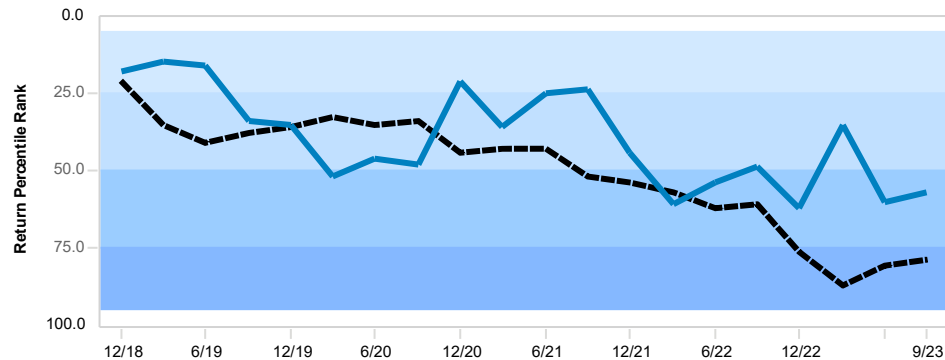
Risk and Return 3 Years



Risk and Return 5 Years

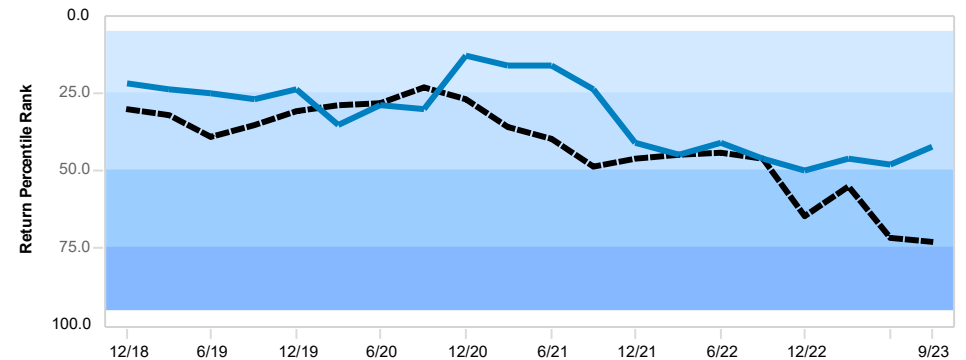


3 Year Rolling Percentile Rank IM International Large Cap Growth Equity (MF)



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	6 (30%)	8 (40%)	6 (30%)	0 (0%)
Index	20	1 (5%)	10 (50%)	5 (25%)	4 (20%)

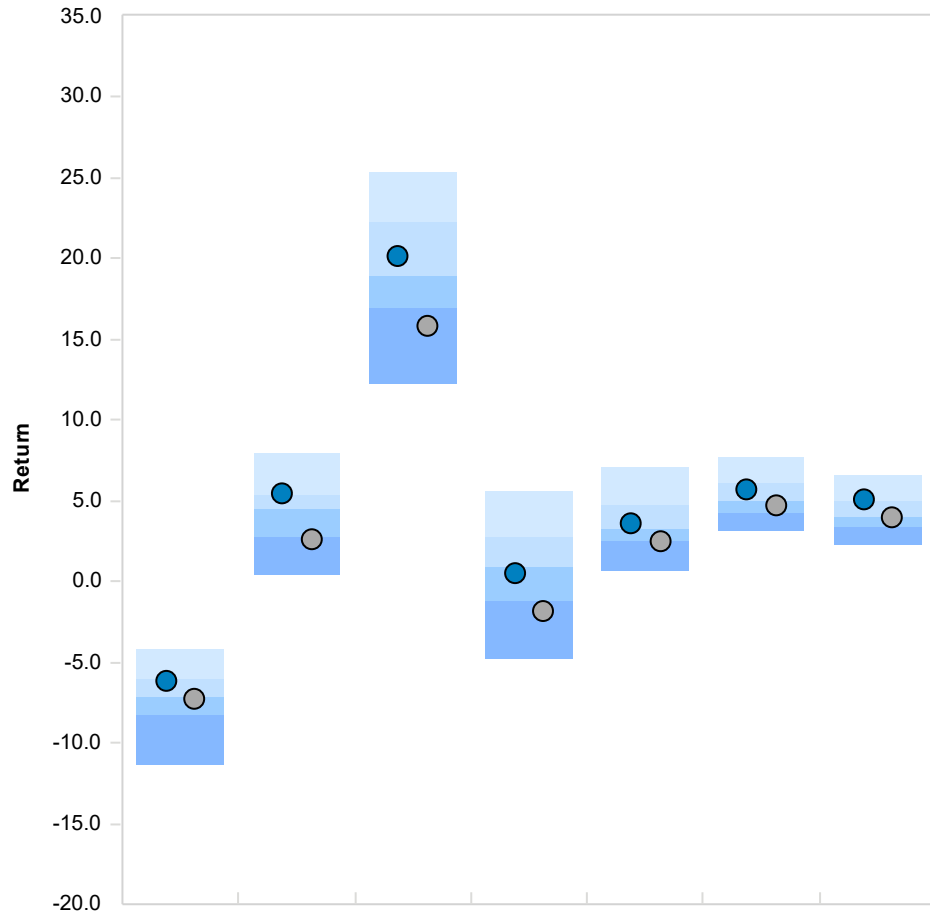
5 Year Rolling Percentile Rank IM International Large Cap Growth Equity (MF)



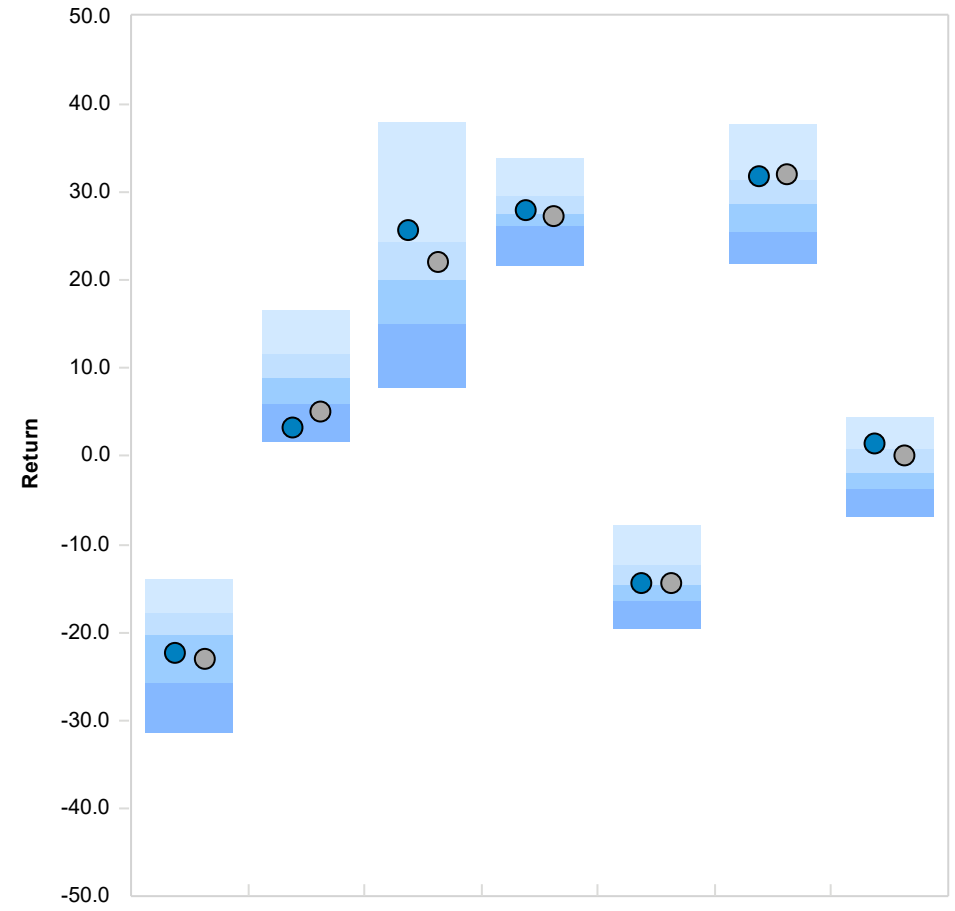
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	8 (40%)	12 (60%)	0 (0%)	0 (0%)
Index	20	1 (5%)	15 (75%)	4 (20%)	0 (0%)



Peer Group Analysis - IM International Large Cap Growth Equity (MF)



Peer Group Analysis - IM International Large Cap Growth Equity (MF)

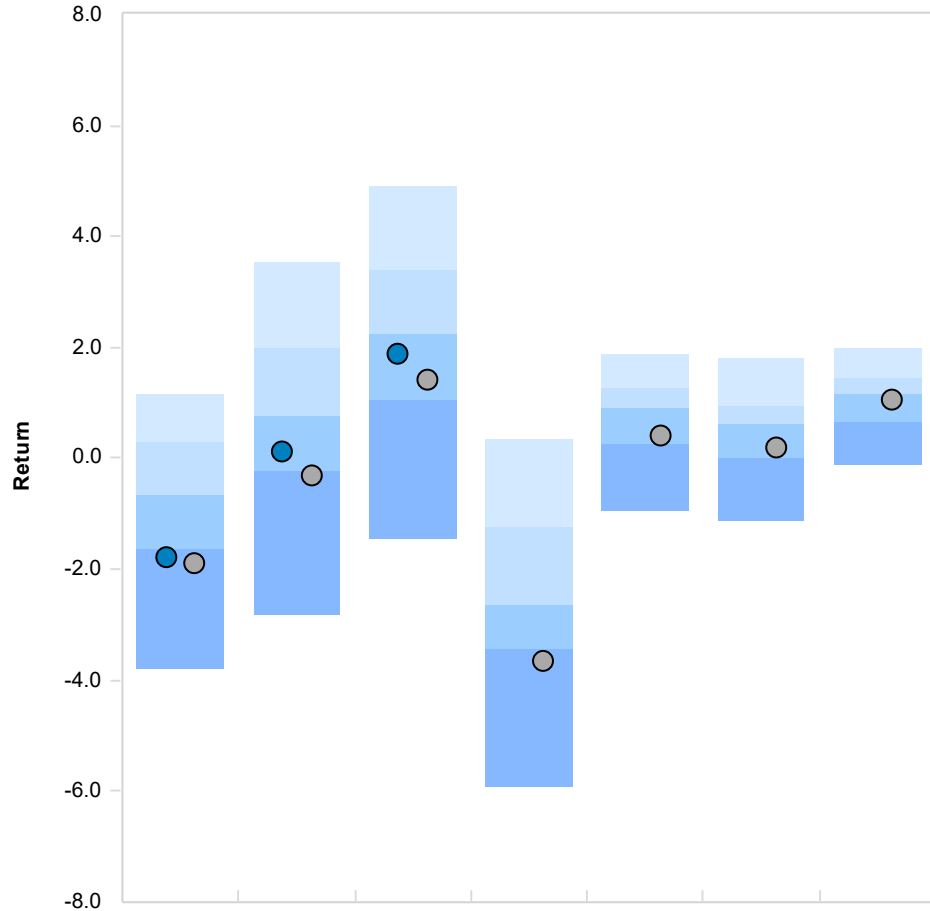


Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	2.28 (61)	10.00 (39)	13.91 (63)	-9.22 (38)	-14.55 (49)	-12.13 (58)
Index	1.94 (74)	8.59 (64)	12.89 (80)	-9.37 (41)	-15.71 (66)	-10.78 (46)
Median	2.45	9.63	14.64	-9.57	-14.68	-10.99

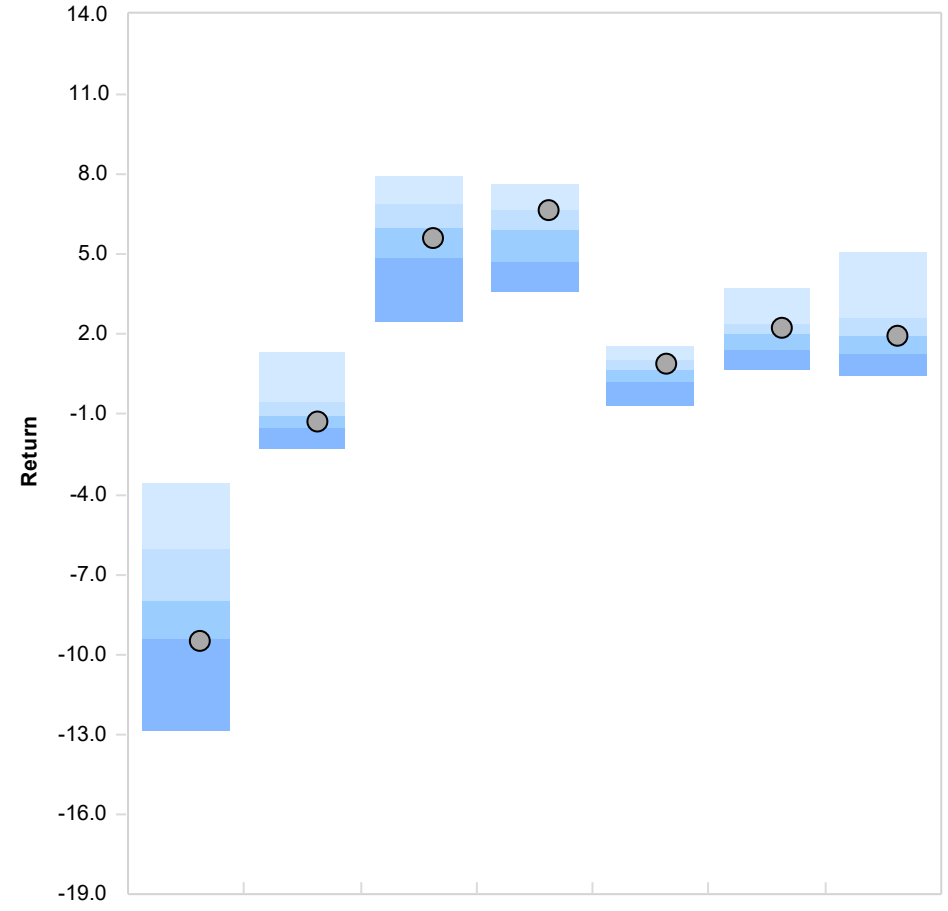


Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF+MF)



	QTD	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
Investment	-1.78 (77)	0.13 (70)	1.87 (63)	N/A	N/A	N/A	N/A
Index	-1.89 (79)	-0.30 (77)	1.42 (71)	-3.66 (79)	0.42 (73)	0.20 (70)	1.06 (56)
Median	-0.68	0.77	2.26	-2.62	0.93	0.63	1.15

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF+MF)



	2022	2021	2020	2019	2018	2017	2016
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	-9.51 (77)	-1.29 (65)	5.60 (59)	6.67 (26)	0.92 (31)	2.27 (32)	1.97 (50)
Median	-7.97	-1.05	5.98	5.90	0.65	2.02	1.94

Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	-0.53 (49)	2.49 (27)	1.74 (23)	-3.76 (81)	-2.80 (64)	N/A
Index	-0.75 (60)	2.39 (37)	1.72 (24)	-3.84 (82)	-2.93 (69)	-4.69 (79)
Median	-0.57	2.24	1.39	-2.95	-2.60	-4.03

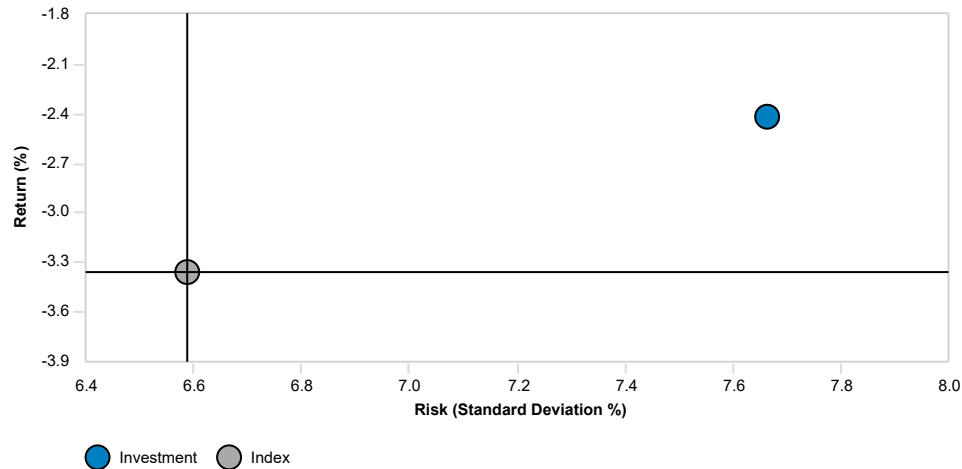
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	-2.41	7.66	-0.50	121.11	7	104.21	5
Index	-3.36	6.59	-0.75	100.00	6	100.00	6

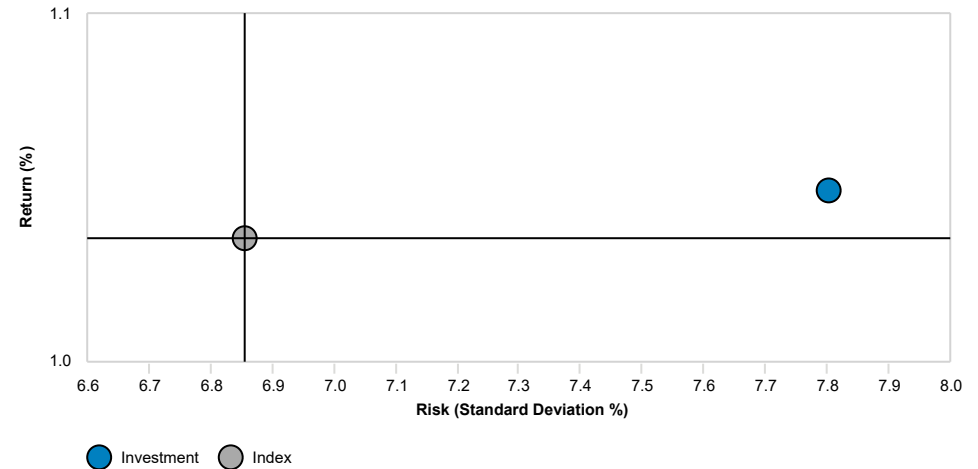
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.05	7.80	-0.04	106.03	13	105.92	7
Index	1.04	6.86	-0.06	100.00	12	100.00	8

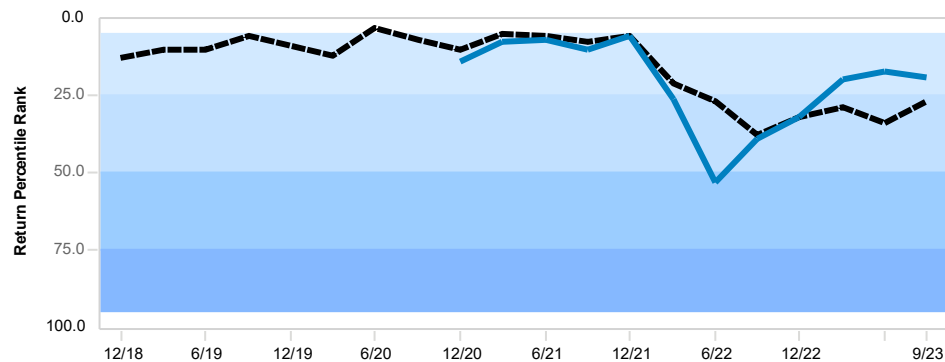
Risk and Return 3 Years



Risk and Return 5 Years

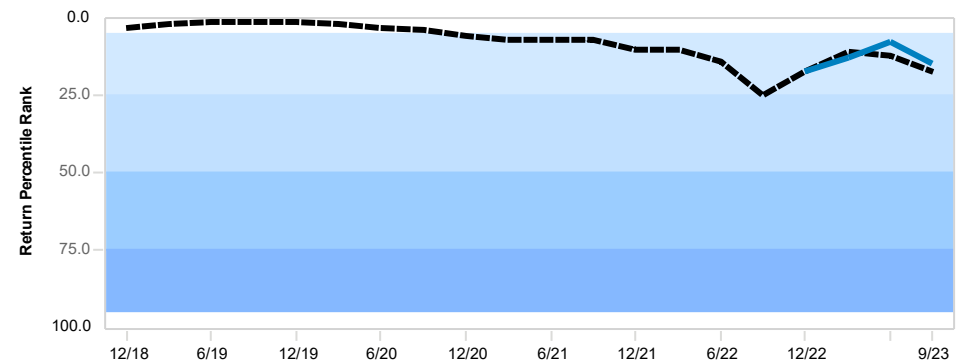


3 Year Rolling Percentile Rank IM Global Fixed Income (MF)



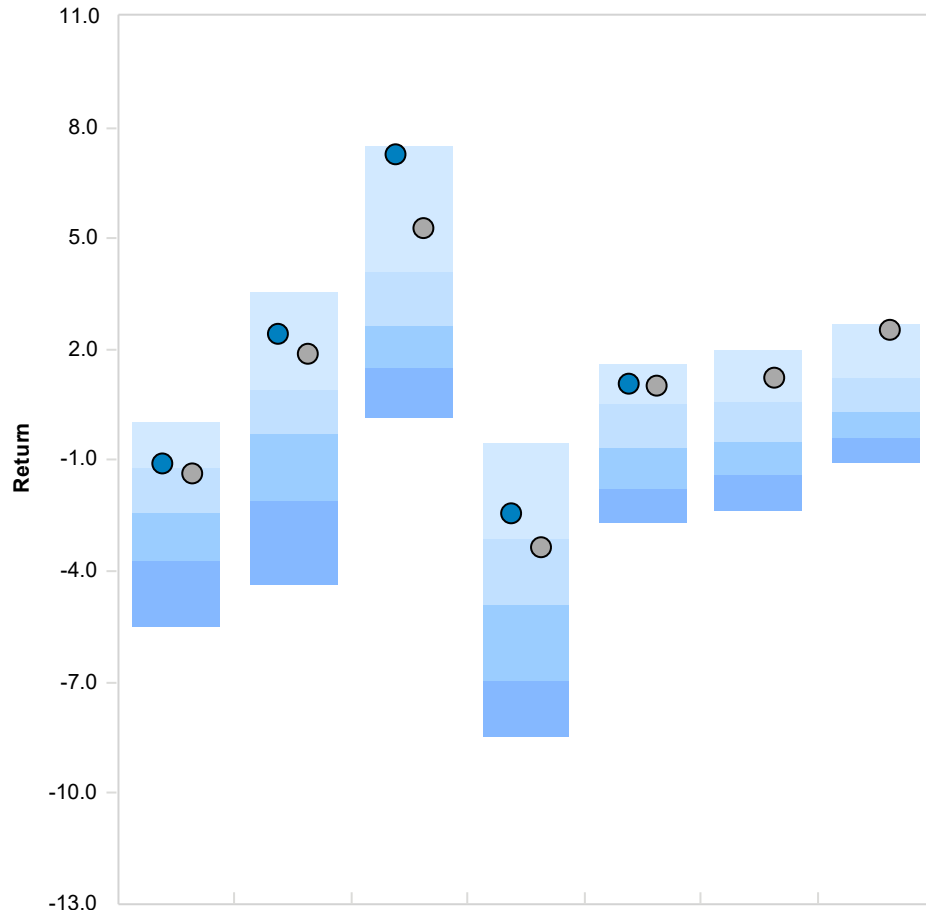
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	12	8 (67%)	3 (25%)	1 (8%)	0 (0%)
Index	20	14 (70%)	6 (30%)	0 (0%)	0 (0%)

5 Year Rolling Percentile Rank IM Global Fixed Income (MF)

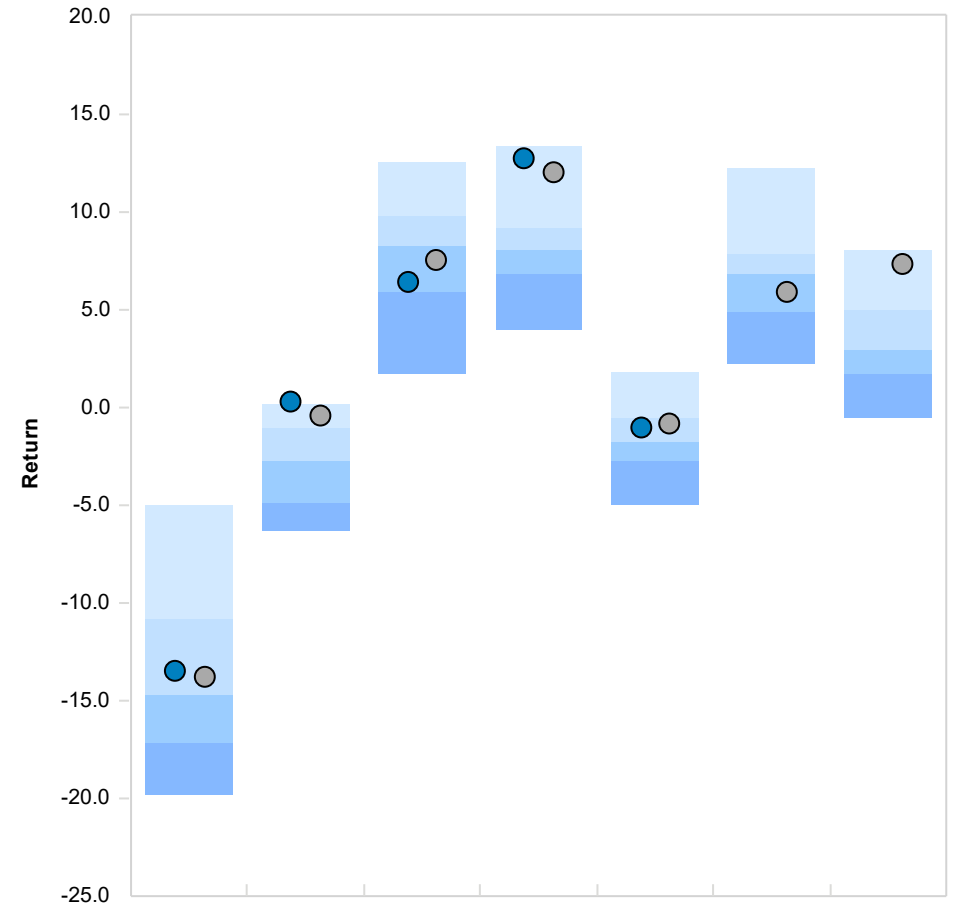


	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	4	4 (100%)	0 (0%)	0 (0%)	0 (0%)
Index	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)

Peer Group Analysis - IM Global Fixed Income (MF)



Peer Group Analysis - IM Global Fixed Income (MF)



Comparative Performance

	1 Qtr Ending Jun-2023	1 Qtr Ending Mar-2023	1 Qtr Ending Dec-2022	1 Qtr Ending Sep-2022	1 Qtr Ending Jun-2022	1 Qtr Ending Mar-2022
Investment	0.94 (8)	2.61 (62)	4.74 (32)	-2.15 (19)	-9.39 (77)	-6.81 (77)
Index	0.28 (16)	2.97 (35)	3.31 (53)	-3.84 (44)	-6.97 (50)	-6.67 (72)
Median	-0.58	2.76	3.53	-4.13	-7.00	-5.48

Private Equity Summary of Partnership

Partnerships	Valuation Date	Vintage Year	Investment Strategy	Capital Commitment \$	Drawn Down \$	Market Value \$	Distributed \$	IRR (%)	TVPI Multiple	Remaining Commitment
Crescent Direct Lending Levered Fund II	09/30/2023	2017	Other	1,400,000	1,475,985	571,827	1,247,480	8.93	1.23	812,585
Intercontinental U.S. REIF	09/30/2023	2015	Other	2,000,000	2,084,901	2,621,785	84,901	5.21	1.30	-19,210
Principal Enhanced Property Fund	09/30/2023	2004	Core Real Estate	1,000,000	1,000,000	1,319,676	-	5.70	1.32	-
Total				4,400,000	4,560,886	4,513,288	1,332,381	-	-	793,375

Town of Palm Beach OPEB Trust
Comparative Performance - IRR
As of September 30, 2023

Comparative Performance - IRR								
	1 Quarter Ending Jun-2023	1 Year Ending Jun-2023	2 Years Ending Jun-2023	3 Years Ending Jun-2023	4 Years Ending Jun-2023	5 Years Ending Jun-2023	Since Inception Ending Jun-2023	Inception Date
Crescent Direct Lending Levered Fund II	3.20	9.29	8.90	11.19	8.71	9.05	9.20	03/13/2018
ICM/PME (Bloomberg Intermed Aggregate Index)	-0.75	-0.73	-4.59	-2.10	0.78	1.79	1.80	

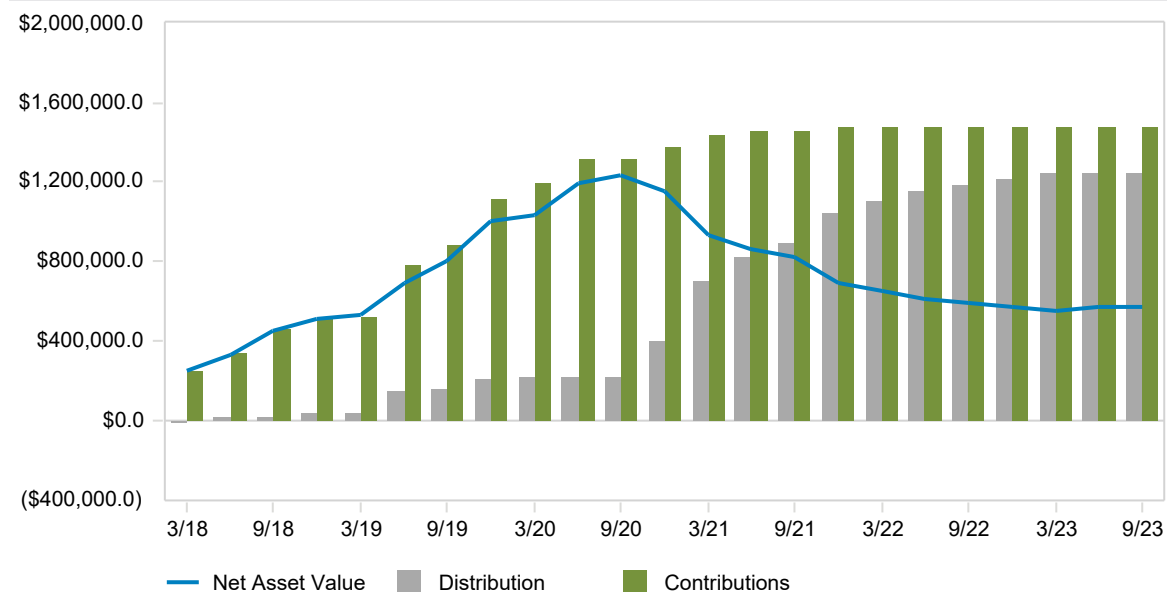
Fund Information

Type of Fund:	Direct	Vintage Year:	2017
Strategy Type:	Other	Management Fee:	.75%
Size of Fund:	1,500,000,000	Preferred Return:	7.00%
Inception:	09/27/2017	General Partner:	Crescent Direct Lending II GP, LLC
Final Close:		Number of Funds:	
Investment Strategy:	Crescent Direct Lending Levered Fund II intends to invest in directly originated senior secured loans (including primarily first lien and unitranche loans and to a lesser extent second lien loans) of private U.S. lower-middle-market companies, primarily in conjunction with private equity investment firms.		

Cash Flow Summary

Capital Committed:	\$1,400,000
Capital Invested:	\$1,475,985
Management Fees:	-
Expenses:	-
Interest:	-
Total Contributions:	\$1,475,985
Remaining Capital Commitment:	\$812,585
Total Distributions:	\$1,247,480
Market Value:	\$571,827
Inception Date:	03/13/2018
Inception IRR:	8.9
TVPI:	1.2

Cash Flow Analysis



Fund Information

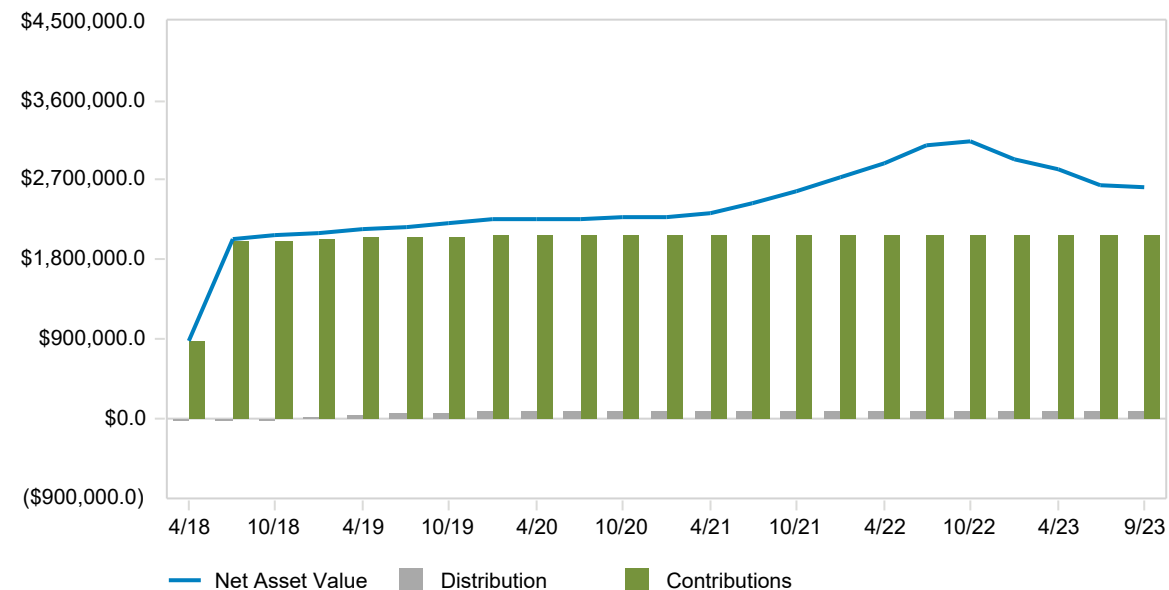
Type of Fund:	Partnership	Vintage Year:	2015
Strategy Type:	Other	Management Fee:	1.10% up to \$25M, 1.00% on \$25-50M, 0.85% on \$50-100M, 0.75% on \$100M+
Size of Fund:	-	Preferred Return:	6-8%
Inception:	05/01/2015	General Partner:	
Final Close:		Number of Funds:	
Investment Strategy:	US Real Estate Investment Fund, LLC is a balanced portfolio of yield-driven real estate and real estate-related assets that are broadly diversified by geography and product type. The objectives of the Fund are to preserve and protect investors' capital, provide potential for capital appreciation, produce income on invested capital of 6-8% per annum, and target total annual average returns of 10% per annum.		

Cash Flow Summary

Capital Committed:	\$2,000,000
Management Fees:	\$24,613
Total Contributions:	\$2,084,901
Remaining Capital Commitment:	-\$19,210

Market Value:	\$2,621,785
Inception Date:	04/30/2018
Inception IRR:	5.2
TVPI:	1.3

Cash Flow Analysis



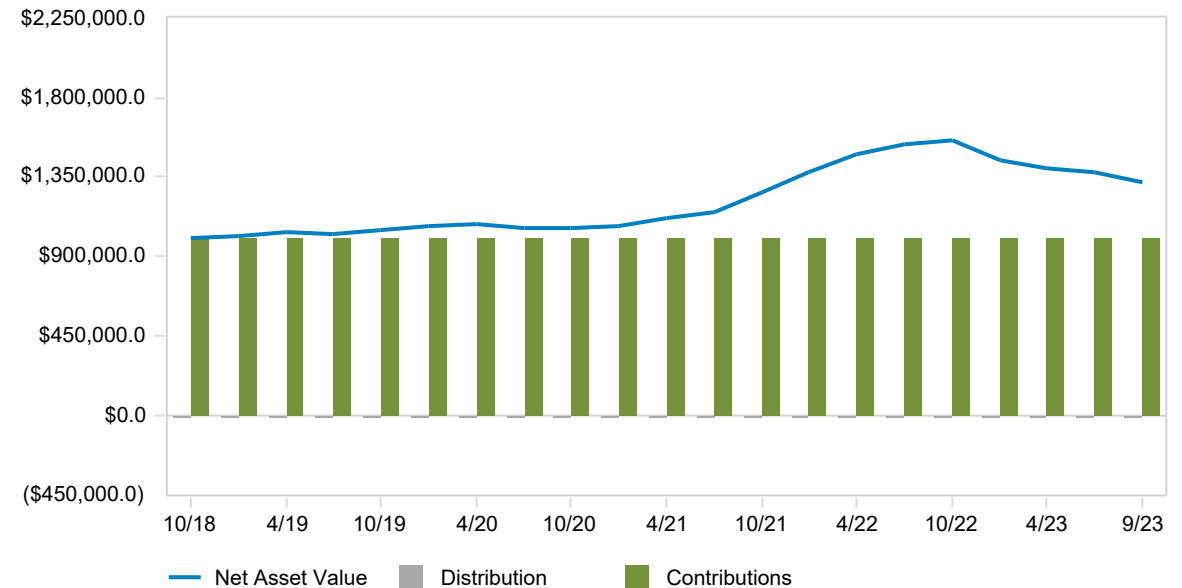
Fund Information

Type of Fund:	Partnership	Vintage Year:	2004
Strategy Type:	Core Real Estate	Management Fee:	1.50% up to \$1M.
Size of Fund:	2,604,976,139	Preferred Return:	11% to 13% total return (IRR) over a long-term investment period.
Inception:	05/01/2004	General Partner:	Principal Enhanced Property Fund GP, LLC
Final Close:		Number of Funds:	
Investment Strategy:	Asset allocation - Focus on stabilized, income producing assets (at least 75% of Gross Asset Value), Consider value-add and development opportunities expected to enhance total returns (up to 25% of Gross Asset Value) and Pursue property types and markets expected to provide relative value. Leverage - Utilize moderate leverage (target 40% - 45% LTV) to attempt to enhance Fund returns and portfolio diversification, leverage is allowed up to 50% LTV at the Portfolio level and 75% LTV at the individual asset level. May increase to 60% LTV at Portfolio level for investor liquidity or capital expenditures.		

Cash Flow Summary

Capital Committed:	\$1,000,000
Management Fees:	-
Total Contributions:	\$1,000,000
Remaining Capital Commitment:	-
Market Value:	\$1,319,676
Inception Date:	10/01/2018
Inception IRR:	5.7
TVPI:	1.3

Cash Flow Analysis



Town of Palm Beach OPEB Trust
Fee Analysis
As of September 30, 2023

	Market Value (\$)	Estimated Annual Fee (%)	Estimated Annual Fee (\$)
Vanguard Russell 3000 Idx (VRTTX)	16,193,821	0.08	12,955
Vanguard Developed Mkts Index (VTMGX)	176,435	0.07	124
American Funds Europacific Growth R6 (RERGX)	1,348,382	0.49	6,607
Pear Tree Polaris Foreign Value (QFVRX)	2,047,260	1.01	20,677
Crescent Direct Lending Levered Fund II	571,827	0.75	4,289
Galliard Intermediate Core	10,081,687	0.25	25,204
PIMCO Div Inc Bond Fund (PDIIX)	2,044,861	0.79	16,154
Intercontinental U.S. REIF	2,621,785	1.10	28,840
Principal Enhanced Property Fund	1,319,676	1.40	18,475
Liquid Reserves	717,258		-
Total Fund	37,122,991	0.36	133,325

Fee information on this page is an illustrative estimate of management fees based on current reported portfolio values. Fee estimates do not reflect actual calculation methodologies or applicable carried interest.



Benchmark History
Investment Policy Benchmarks
As of September 30, 2023

Total Fund Historical Hybrid Composition

Allocation Mandate	Weight (%)
Apr-2022	
Russell 3000 Index	40.00
MSCI AC World ex USA (Net)	10.00
Bloomberg Intermed Aggregate Index	30.00
Blmbg. Global Credit (Hedged)	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00
Credit Suisse Leveraged Loan Index	3.00
90 Day U.S. Treasury Bill	2.00
Oct-2020	
Russell 3000 Index	40.00
MSCI AC World ex USA (Net)	10.00
Blmbg. U.S. Aggregate Index	35.00
Bloomberg U.S. TIPS Index	5.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00
Apr-2018	
Russell 3000 Index	45.00
MSCI AC World ex USA	15.00
Blmbg. U.S. Aggregate Index	30.00
NCREIF Fund Index-Open End Diversified Core (EW)	10.00
Oct-2017	
Russell 3000 Index	45.00
MSCI AC World ex USA	15.00
Blmbg. U.S. Aggregate Index	37.50
Bloomberg U.S. TIPS Index	2.50
Jan-2015	
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. U.S. Aggregate Index	10.00
Blmbg. U.S. Treasury: 1-5 Year	10.00

Allocation Mandate	Weight (%)
Sep-2013	
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
Dec-2011	
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
Jul-2007	
Target Index	100.00



Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- 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.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- 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.
Distributed to Paid In (DPI)	- 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.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- 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.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- 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.
Public Market Equivalent (PME)	- 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.
R-Squared	- 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.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- 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.
Standard Deviation	- 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.
Total Value to Paid In (TVPI)	- 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
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- 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.
Up Market Capture	- 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.

The strategies listed may not be suitable for all investors. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. Past performance is not an indication of future performance. Any information contained in this report is for informational purposes only and should not be construed to be an offer to buy or sell any securities, investment consulting, or investment management services.

Additional information included in this document may contain data provided by from index databases, public economic sources and the managers themselves.

This document may contain data provided by Bloomberg Barclays. Bloomberg Barclays Index data provided by way of Barclays Live.

This document may contain data provided by Standard and Poor's. Nothing contained within any document, advertisement or presentation from S&P Indices constitutes an offer of services in jurisdictions where S&P Indices does not have the necessary licenses. All information provided by S&P Indices is impersonal and is not tailored to the needs of any person, entity or group of persons. Any returns or performance provided within any document is provided for illustrative purposes only and does not demonstrate actual performance. Past performance is not a guarantee of future investment results.

This document may contain data provided by MSCI, Inc. Copyright MSCI, 2017. Unpublished. All Rights Reserved. This information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis and the user of this information assumes the entire risk of any use it may make or permit to be made of this information. Neither MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information makes any express or implied warranties or representations with respect to such information or the results to be obtained by the use thereof, and MSCI, its affiliates and each such other person hereby expressly disclaim all warranties (including, without limitation, all warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating this information have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages (including, without limitation, lost profits) even if notified of, or if it might otherwise have anticipated, the possibility of such damages.

This document may contain data provided by Russell Investment Group. Russell Investment Group is the source owner of the data contained or reflected in this material and all trademarks and copyrights related thereto. The material may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a user presentation of the data. Russell Investment Group is not responsible for the formatting or configuration of this material or for any inaccuracy in presentation thereof.

This document may contain data provided by Morningstar. All rights reserved. Use of this content requires expert knowledge. It is to be used by specialist institutions only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied, adapted or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information, except where such damages or losses cannot be limited or excluded by law in your jurisdiction. Past financial performance is not guarantee of future results.

Clients first.



CHICAGO | CLEVELAND | DALLAS | DETROIT | ORLANDO | PITTSBURGH | RENO

AndCo Consulting | (844) 44-ANDCO | *AndCoConsulting.com*

Clients first.



To: Town of Palm Beach OPEB IAC
From: Dave West, CFA
Date: November 2023
Re: The Town of Palm Beach OPEB Trust: Investment Attribution Summary and Recommendations

The Town of Palm Beach OPEB Trust “the Trust” achieved a net rate of return on invested assets of 8.93% (preliminary) for the fiscal year ended September 30, 2023. Results exceeded the targeted actuarial required rate of return.

Preliminary Investment Returns

For the period ending September 30, 2023:

FY Return: 8.93% (net)

Quarter Return: -2.49% (net)

Market Value: \$37,122,991

Summary Attribution

Economies and policy makers around the globe continue to struggle with taming inflation. Uncertainty regarding a hard or soft landing, higher interest rates for longer, stubbornly higher inflation and a resilient labor market have created significant uncertainty throughout fiscal 2023. Perhaps some of the optimism that drove much of the rally during the year was misplaced, particularly expectations that the Federal Reserve would be pivoting to lowering rates. Resilience of the U.S. economy and inflation data remain above the Federal Reserve’s 2% target level. The dramatic shift in sentiment that occurred during the latter half of the quarter drove U.S. Treasury rates higher throughout the yield curve. Most notably was the almost 80 bps increase in the 10-year U.S. Treasury Yield pushing rates to 4.59% by quarter end. This resulted in a dramatic narrowing of the curve’s rate inversion triggering both mark to market losses for bond investors and equity multiple compression. For much of the year, equity investors continued to focus on the perceived safety of the “Magnificent Seven”. Highlighting the market’s narrowness, the top 10 performers in the S&P 500 Index represented a record high of 32% of the Index’s quarterly return and traded at a 45% premium to the rest of the market.

Institutional real estate investment values declined again albeit at a more moderate pace in the third quarter. This is now the fifth consecutive quarter of depreciation as measured by the NFI-ODCE index. Higher interest rates, challenging capital market conditions, and tight bank lending standards continue to weigh markets.

The allocation to domestic equity (overweight to policy target) rallying through most of fiscal ‘23 was the primary driver of the positive investment results for fiscal 2023. The previously completed allocation shift to lower overall fixed income return volatility provided material support in preserving the asset value of the OPEB trust.

Investment Recommendations

- Recommendation: Maintain current allocations and manager engagements.

Attribution

Note: All Plan investment results are preliminary with 98.5% of managed assets reporting. For all measurement periods, private investments which constitute approximately 1.5% of total assets may be carried forward at the previous period value. Returns are expected to be accretive, boosting overall results.

- Equity multiple compression was driven by U.S. Treasury rates rising throughout the yield curve during the quarter. The third quarter's reversal for domestic equity markets did not eclipse the rebound seen in the asset class during the first half of 2023 as each of the Russell indices were positive on a trailing 12-month basis. Within large-cap stocks, the Russell 1000 Growth Index maintains sizable dominance, returning 27.7% and leading the way among style-and-market-capitalization classifications. Generally, active management relative performance has been challenged throughout the year. The OPEB Trust's investment in the passive, style neutral, Vanguard Russell 3000 Index (VRTTX) returned -3.26% (net) for the quarter and contributed 20.4% (net) for the fiscal year.
- For International equity, trailing one-year results were more appealing compared to the quarter's results. Much like domestic markets, trailing one-year performance for international developed and emerging markets rolled off their poor performance from 2022 resulting in strong returns for the trailing year. Additionally, LCL returns have outpaced USD returns for many developed markets due to the softening USD relative to many of the world's developed market currencies over the year. Combined manager results exceeded the OPEB policy benchmark. The Growth manager's performance has been very strong with EuroPacific Fund returning 19.64% for the Fiscal Year. Results for the manager exceeded benchmarks. The Pear Tree Polaris value driven strategy performance was near benchmark earning 26.94%(net).
- Investment results for levered U.S. core real estate (as measured by NFI-ODCE) continued to be negative in the second quarter, led by continued office sector valuation declines. Despite moderating depreciation compared to the previous two quarters, capital markets, transaction activity, and lending remain depressed. Healthy but moderating fundamentals in differentiated properties are offset by challenging debt markets. Combined manager results trailed the OPEB policy benchmark. InterContinental reported a total return of -1.04% for the quarter and -16.48% for the year. The Principal Enhanced Property Fund reported a net decline in value of -2.74% for the quarter and -15.09% for the year.
- U.S. Treasury rates rose throughout the yield curve. The most notable move was the almost 80 bps increase in the 10-year U.S. Treasury Yield to 4.59% by quarter end, which served to narrow the curve's inversion significantly. The OPEB investment program has implemented an intermediate duration strategy thereby eliminating exposure to longer duration market volatility. Galliard Capital Management declined less than the aggregate benchmark and generated positive results of 0.13% for the fiscal year, also exceeding the policy benchmark. Current yields remain attractive providing an increased level of income offset to any additional increases in general market interest rates. The annualized cash yield was 4.99% for the period.
- The PIMCO Diversified Income Fund, a lower quality and longer duration orientation, benefited from higher yields and tighter credit spreads in lower quality bonds. The fund returned -1.10% for the quarter and has contributed 7.29% (net) exceeding the manager's benchmark for the fiscal year.
- Private debt (Crescent) return estimates are not available as of this print but are expected to be modestly accretive to overall OPEB investment results. Portfolio investments are predominantly floating-rate which continues to benefit from benchmark adjustments to generally higher interest rates. The investment continues to roll off as the investment term of the commitment runs out. The investment now represents 1.5% of total assets and has earned an inception IRR of 9.2% as of June 2023.