



Town of Palm Beach, Florida



Investment Performance Review Quarter Ended June 30, 2016

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Tab I

Summary

- On June 23, the British public voted to leave the European Union (EU) – so-called “Brexit” referendum – after forty-three years of membership. This historic vote was the first of its kind, shocking markets and triggering outsized market reactions. Bond yields fell sharply, sending 10- and 30-year Treasury yields to all-time lows. Equity indexes saw a sharp pullback following the vote, but pared losses by month-end amid anticipated central bank accommodation. Meanwhile, the British pound fell to its lowest level since 1985 against the U.S. dollar.
- Amid the uncertainty caused by Brexit, central banks around the world are expected to remain accommodative, keeping rates lower for longer and seemingly boosting equity prices – despite the potential slowdown of British and European economies.
- The Federal Reserve (Fed) left policy rates unchanged at both its second-quarter meetings. In June, even before the Brexit vote, the Federal Open Market Committee (FOMC) once again lowered its expectation for rate hikes in 2016 via the so-called “dot plot.” By quarter-end, the market was pricing in a 0% chance of a rate hike in July, and less than a 10% chance for a hike this year.

Economic Snapshot

- The modest U.S. economic expansion continued, and unemployment ended the quarter below 5%. However, measures of economic strength in the U.S. remained mixed.
- U.S. gross domestic product (GDP) grew at a 1.1% rate in the first quarter of 2016, driven by improving trade and business investment, which more than compensated for weakness in consumer spending. Economic growth is expected to rebound in the second quarter to around 2.5%, with a preliminary reading to be released in late July.
- Job growth decelerated for four straight months before a sharp rebound in June. The U.S. economy added 287,000 jobs in June, the largest gain since October 2015. Year-to-date, the economy added over 1 million jobs, but it is nearly 300,000 behind last year’s pace. The unemployment rate ended the quarter at 4.9%.

- Inflation pressures remained relatively unchanged in the second quarter as the personal consumption expenditure (PCE) price index, the Fed's favored metric of inflation, rose 1.6% for the year ended May. Oil prices settled into a \$40 to \$50 per barrel range, while home prices rose 5.4% year-over-year. Average hourly earnings, an important measure of wages, grew 2.6% over the past 12 months, matching a nearly 7-year high.

Interest Rates

- Interest rates ended the quarter significantly lower amid the Fed's dovish tone during the quarter and the flight to safety stimulated by the Brexit vote. Declines were led by longer maturity yields, flattening the yield curve. The spread between the two-year and 10-year Treasury yields fell to 89 basis points (0.89%) compared to 105 basis points (1.05%) at the end of the first quarter. The two-year Treasury yield fell 14 basis points (0.14%) during the quarter, while the yield on the 10-year Treasury fell 30 basis points (0.30%).
- In the money market space, shorter Treasuries posted modest increases, while short-term credit instruments, like commercial paper and bank certificates of deposit (CDs), continued to offer unusually wide yield spreads.

Sector Performance

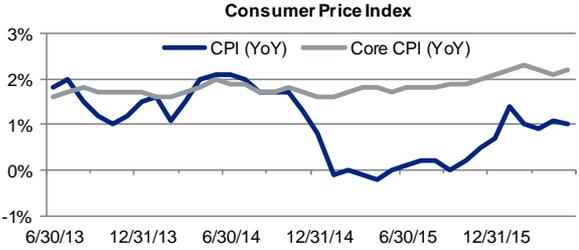
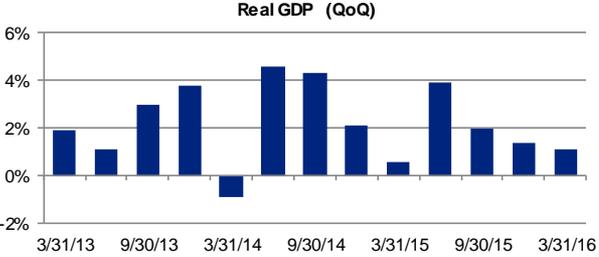
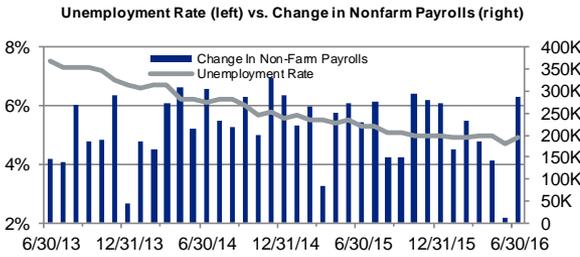
- U.S. Treasury indexes posted another quarter of strong returns as rate declines boosted market values. Because the yield curve flattened, longer maturity issues performed best.
- Non-callable federal agency securities performed generally in line with comparable maturity Treasuries.
- Corporate yield spreads tightened throughout most of the second quarter as credit conditions stabilized from the first quarter's energy price-driven volatility. Post Brexit, corporates experienced a brief spike in spreads, but quickly recovered by quarter end. The sector generated strong outperformance relative to Treasuries, adding to its 2016 return advantage.
- Mortgage-backed securities underperformed Treasuries for the second straight quarter. Declining interest rates, which drove accelerated prepayment expectations, continued to hurt the sector.

Economic Snapshot

Labor Market	Latest	Mar 2016	Jun 2015	
Unemployment Rate	Jun'16	4.9%	5.0%	5.3%
Change In Non-Farm Payrolls	Jun'16	287,000	186,000	228,000
Average Hourly Earnings (YoY)	Jun'16	2.6%	2.3%	2.0%
Personal Income (YoY)	May'16	4.0%	4.6%	4.6%
Initial Jobless Claims (week)	7/1/16	254,000	276,000	280,000

Growth	Latest	Mar 2016	Jun 2015	
Real GDP (QoQ SAAR)	2016Q1	1.1%	1.4% ¹	0.6% ²
GDP Personal Consumption (QoQ SAAR)	2016Q1	1.5%	2.4% ¹	1.8% ²
Retail Sales (YoY)	May'16	2.5%	1.7%	2.1%
ISM Manufacturing Survey (month)	Jun'16	53.2	51.8	53.1
Existing Home Sales SAAR (month)	May'16	5.53 mil.	5.36 mil.	5.41 mil.

Inflation / Prices	Latest	Mar 2016	Jun 2015	
Personal Consumption Expenditures (YoY)	May'16	0.9%	0.8%	0.3%
Consumer Price Index (YoY)	May'16	1.0%	0.9%	0.1%
Consumer Price Index Core (YoY)	May'16	2.2%	2.2%	1.8%
Crude Oil Futures (WTI, per barrel)	Jun 30	\$48.33	\$38.34	\$59.47
Gold Futures (oz.)	Jun 30	\$1,321	\$1,234	\$1,172



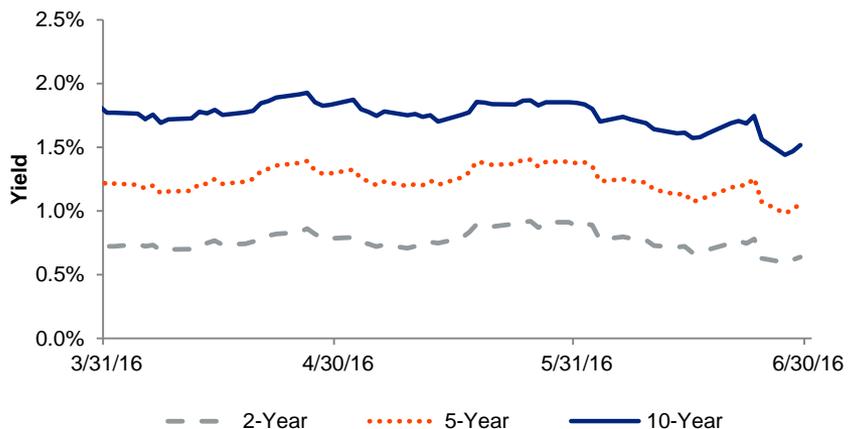
1. Data as of Fourth Quarter 2015

2. Data as of First Quarter 2015

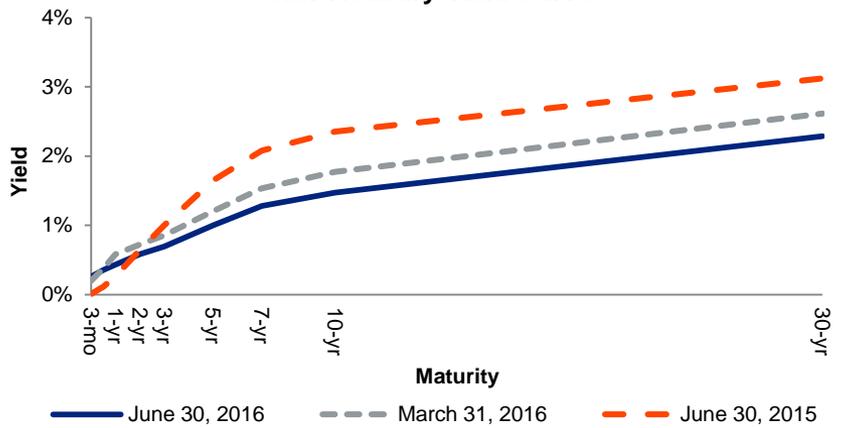
Note: YoY = year over year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil

Investment Rate Overview

U.S. Treasury Note Yields



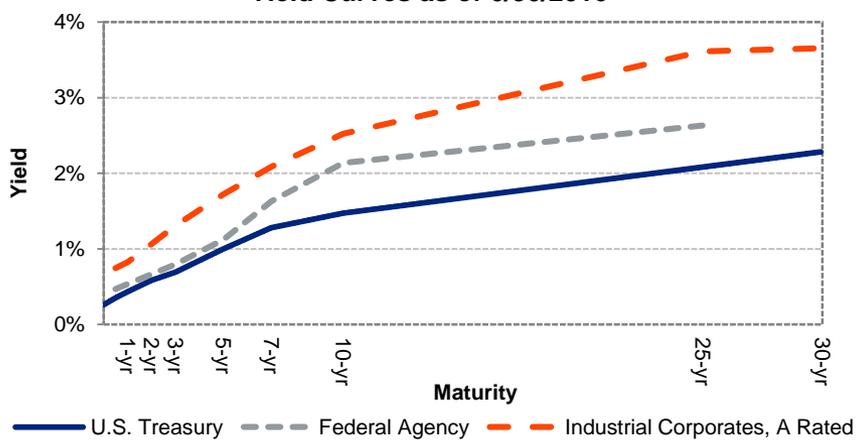
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	6/30/16	3/31/16	Change over Quarter	6/30/15	Change over Year
3-month	0.26%	0.20%	0.06%	0.01%	0.25%
1-year	0.44%	0.58%	(0.14%)	0.27%	0.17%
2-year	0.58%	0.72%	(0.14%)	0.65%	(0.07%)
5-year	1.00%	1.21%	(0.21%)	1.65%	(0.65%)
10-year	1.47%	1.77%	(0.30%)	2.35%	(0.88%)
30-year	2.29%	2.61%	(0.32%)	3.12%	(0.83%)

Yield Curves as of 6/30/2016



Source: Bloomberg

BofA Merrill Lynch Index Returns

	As of 6/30/2016		Returns for Periods ended 6/30/2016		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.90	0.60%	0.53%	1.31%	0.98%
Federal Agency	1.58	0.72%	0.41%	1.27%	1.04%
U.S. Corporates, A-AAA rated	1.94	1.35%	0.83%	2.24%	1.79%
Agency MBS (0 to 3 years)	2.22	1.22%	0.65%	2.50%	1.92%
Taxable Municipals	2.04	2.15%	1.38%	3.71%	2.21%
1-5 Year Indices					
U.S. Treasury	2.74	0.72%	0.81%	2.43%	1.65%
Federal Agency	2.06	0.81%	0.59%	1.94%	1.59%
U.S. Corporates, A-AAA rated	2.77	1.57%	1.14%	3.32%	2.74%
Agency MBS (0 to 5 years)	3.35	1.75%	1.02%	3.37%	3.01%
Taxable Municipals	2.67	1.90%	1.78%	4.88%	3.01%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.62	1.13%	2.24%	6.67%	3.83%
Federal Agency	3.83	1.13%	1.34%	3.92%	2.89%
U.S. Corporates, A-AAA rated	7.11	2.44%	2.90%	7.89%	5.37%
Agency MBS (0 to 30 years)	3.47	1.81%	1.12%	4.38%	3.73%
Taxable Municipals	4.17	2.36%	2.61%	7.12%	4.25%

Returns for periods greater than one year are annualized

Source: BofA Merrill Lynch Indices

Disclosures

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Tab II

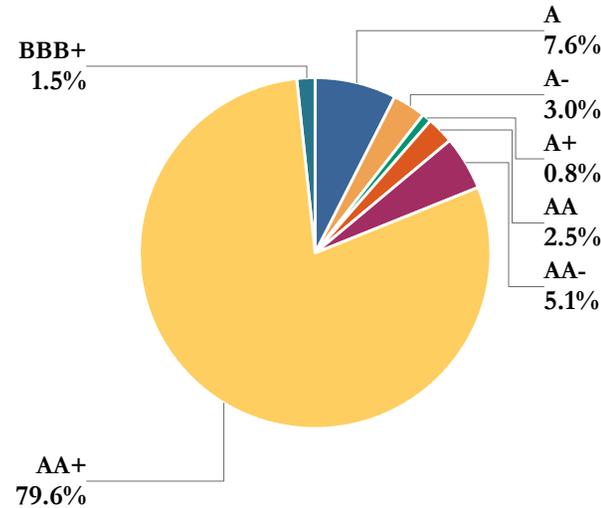
- The Town's 1-5 Year Investment and Bond Proceed Portfolios are of high credit quality and invested in U.S. Treasury, Federal Agency/GSE, high quality corporate, municipal securities, and money market mutual funds.
- PFM continued to actively manage the 1-5 Year Investment Portfolio during the second quarter and found value in the market, taking advantage of market inefficiencies or changes in economic outlook. As a result, the Portfolio realized \$11,128 in gains on sales (based on amortized cost) during the quarter. PFM is continually in the market monitoring for opportunities to add value to the Portfolio.
- The 1-5 Year Investment Portfolio's quarterly total return performance of 0.73% underperformed the benchmark performance of 0.80% by 0.07%. Over the past year, the Portfolio earned 2.56% versus 2.39% for the benchmark.
- The Short Term and Bond Proceeds Portfolios continue to provide the Town with favorable yield relative to the benchmark. At quarter end, the portfolios had a weighted average Yield to Maturity at Cost of 0.68%, exceeding the Yield to Maturity of its benchmark the S&P GIP Government 30 Day Index by 29 basis points (0.29%).
- Given the high degree of uncertainty, PFMAM maintained portfolio duration positions near-neutral to benchmarks throughout the quarter. The Fed appeared to be on hold throughout the summer amid moderate economic growth, continued subdued inflation, and uncertainty heading into the Brexit vote.
- We expect the U.S. economy to expand at a moderate pace in the second half of 2016, but potential spillover from Brexit may be a marginal drag. Outside the U.S., economic prospects are less certain as Europe grapples with the economic and political repercussions of Brexit, emerging markets continue to slow, and global central banks remain a strong influence. We will be closely monitoring incoming economic data for any changes that affect our view.
- The Brexit vote changed the prospects for expected Fed action. We now expect no rate hikes until December at the earliest, or even into 2017. This "lower for longer" landscape has implications for both expected returns and risks. Given the likelihood that rates will not move significantly higher in the near-term, we plan to keep durations neutral to benchmarks, avoiding any significant mismatches.
- PFM will continue to navigate the market environment with a keen focus on relative value sector analysis, prudent duration management, and efficient yield curve placement. While producing strong investment returns remains a priority, it is secondary to maintaining safety and liquidity, particularly in the current environment where we expect yields to trend higher.

Portfolio Statistics

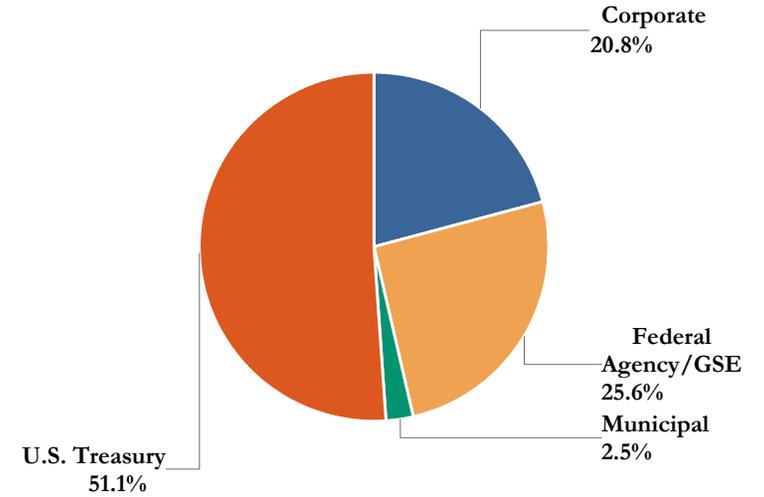
As of June 30, 2016

Par Value:	18,149,000
Total Market Value:	18,659,099
Security Market Value:	18,491,725
Accrued Interest:	76,265
Cash:	91,109
PFM	-
Amortized Cost:	18,241,451
Yield at Market:	0.89%
Yield at Cost:	1.38%
Effective Duration:	2.63 Years
Duration to Worst:	2.64 Years
Average Maturity:	2.74 Years
Average Credit: **	AA

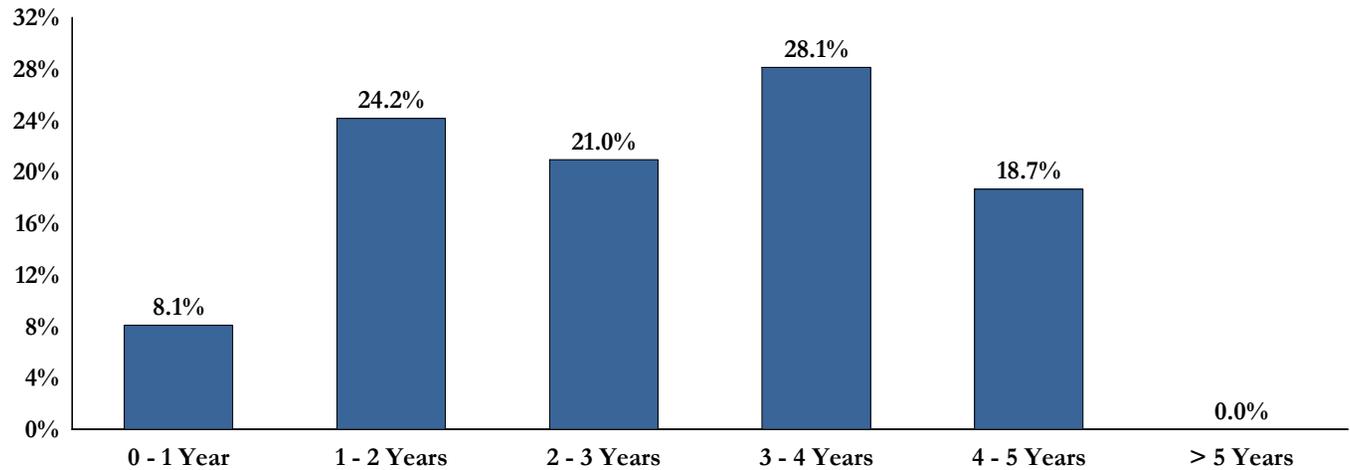
Credit Quality (S&P Ratings)



Sector Allocation



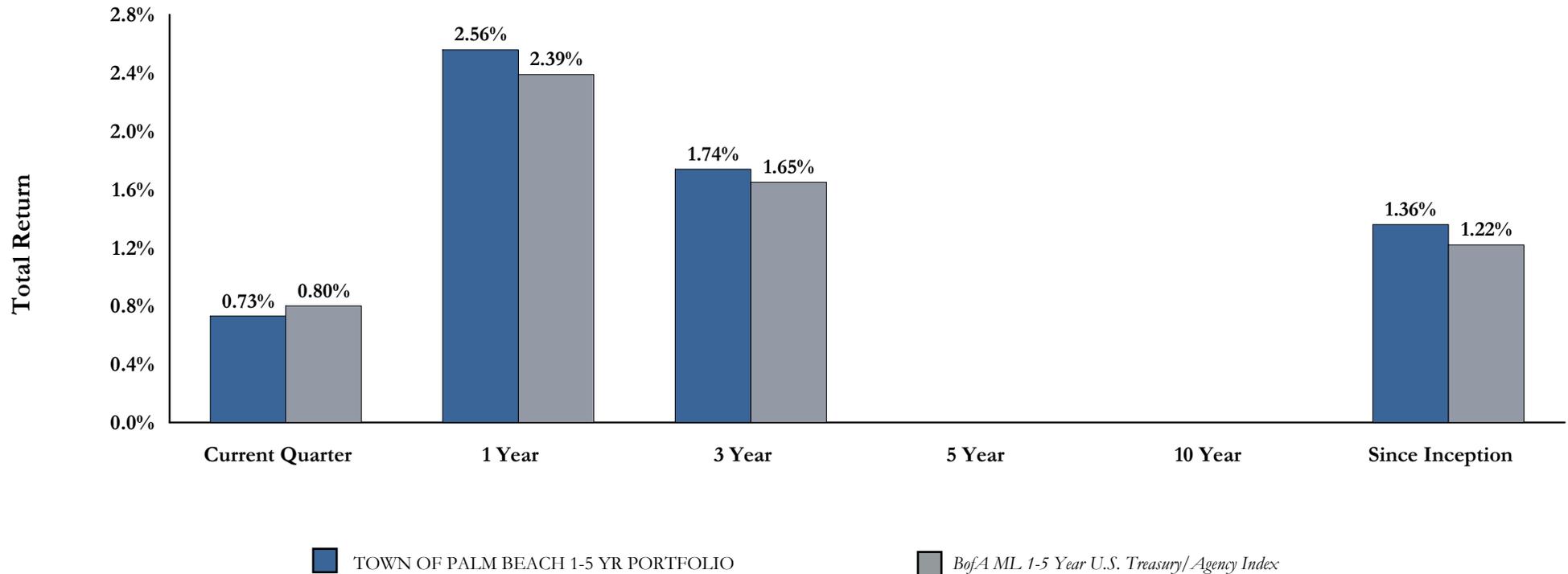
Maturity Distribution



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

Portfolio Performance (Total Return)

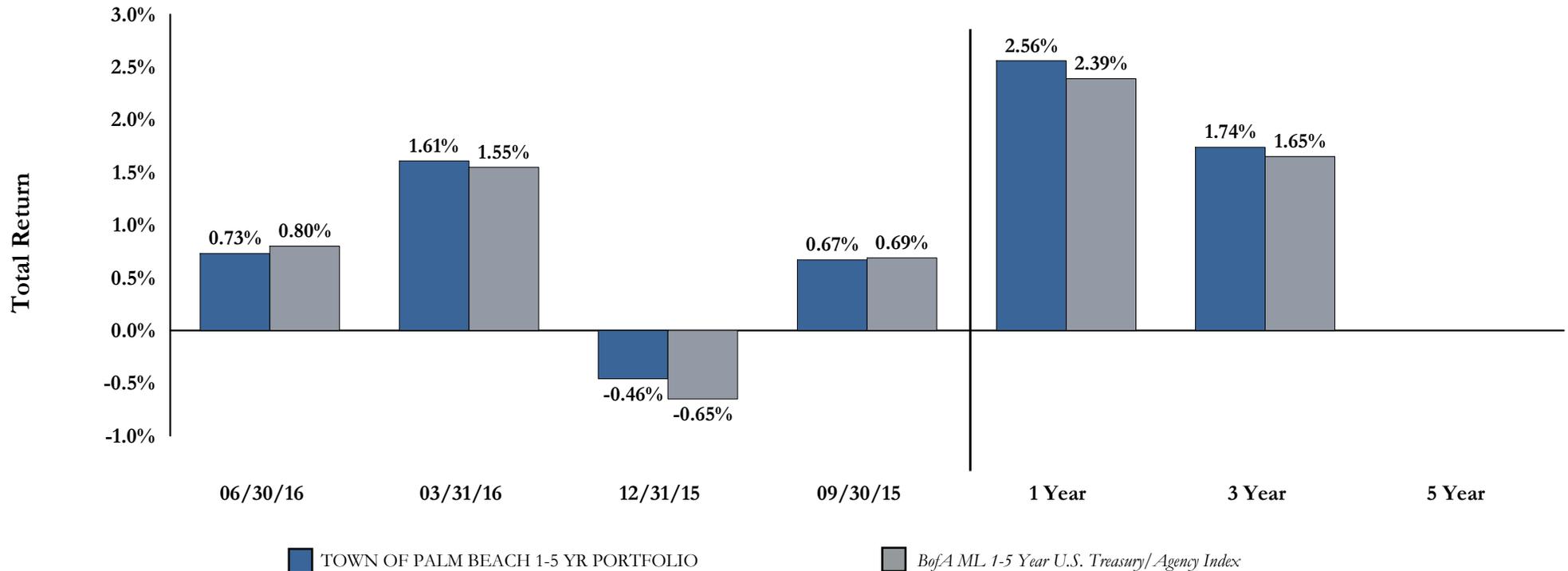
Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (09/30/11) **
				3 Year	5 Year	10 Year	
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.63	0.73%	2.56%	1.74%	-	-	1.36%
<i>BofA ML 1-5 Year U.S. Treasury/Agency Index</i>	2.61	0.80%	2.39%	1.65%	-	-	1.22%
Difference		-0.07%	0.17%	0.09%	-	-	0.14%



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

Portfolio Performance (Total Return)

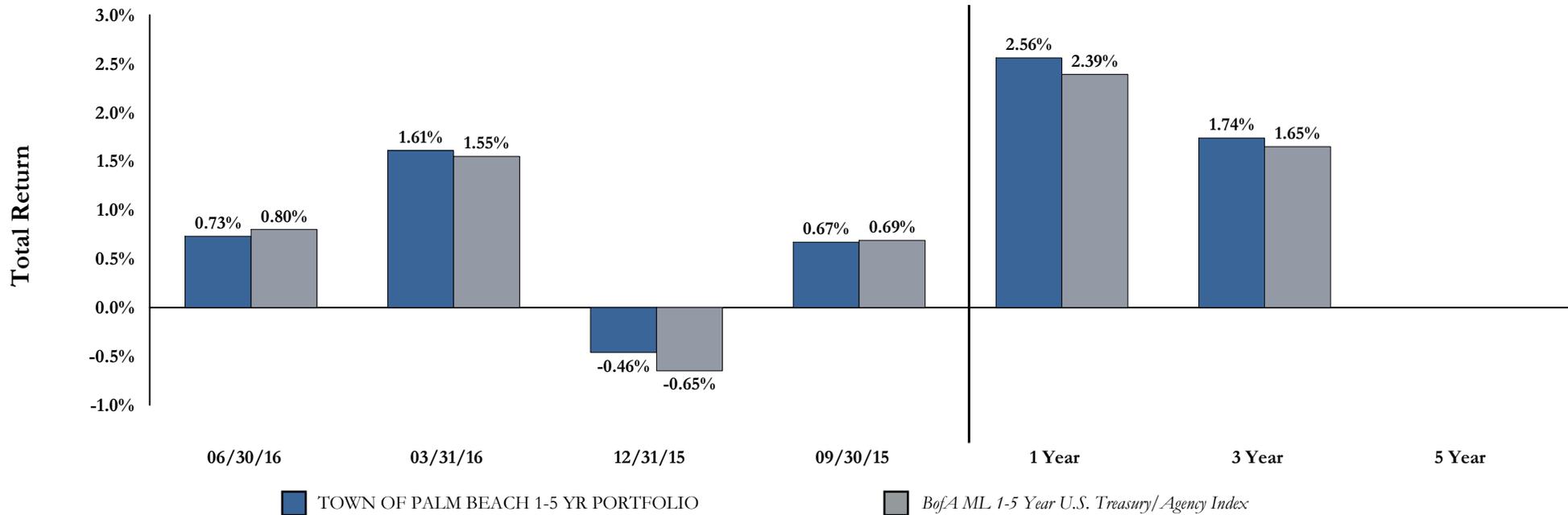
Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		06/30/16	03/31/16	12/31/15	09/30/15		3 Year	5 Year
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.63	0.73%	1.61%	-0.46%	0.67%	2.56%	1.74%	-
<i>BofA ML 1-5 Year U.S. Treasury/Agency Index</i>	2.61	0.80%	1.55%	-0.65%	0.69%	2.39%	1.65%	-
Difference		-0.07%	0.06%	0.19%	-0.02%	0.17%	0.09%	-



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		06/30/16	03/31/16	12/31/15	09/30/15		3 Year	5 Year
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.63	0.73%	1.61%	-0.46%	0.67%	2.56%	1.74%	-
<i>Net of Fees **</i>	-	0.71%	1.59%	-0.48%	0.65%	2.50%	1.68%	-
<i>BofA ML 1-5 Year U.S. Treasury/Agency Index</i>	2.61	0.80%	1.55%	-0.65%	0.69%	2.39%	1.65%	-
Difference (Gross)		-0.07%	0.06%	0.19%	-0.02%	0.17%	0.09%	-
Difference (Net)		-0.09%	0.04%	0.17%	-0.04%	0.11%	0.03%	-



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

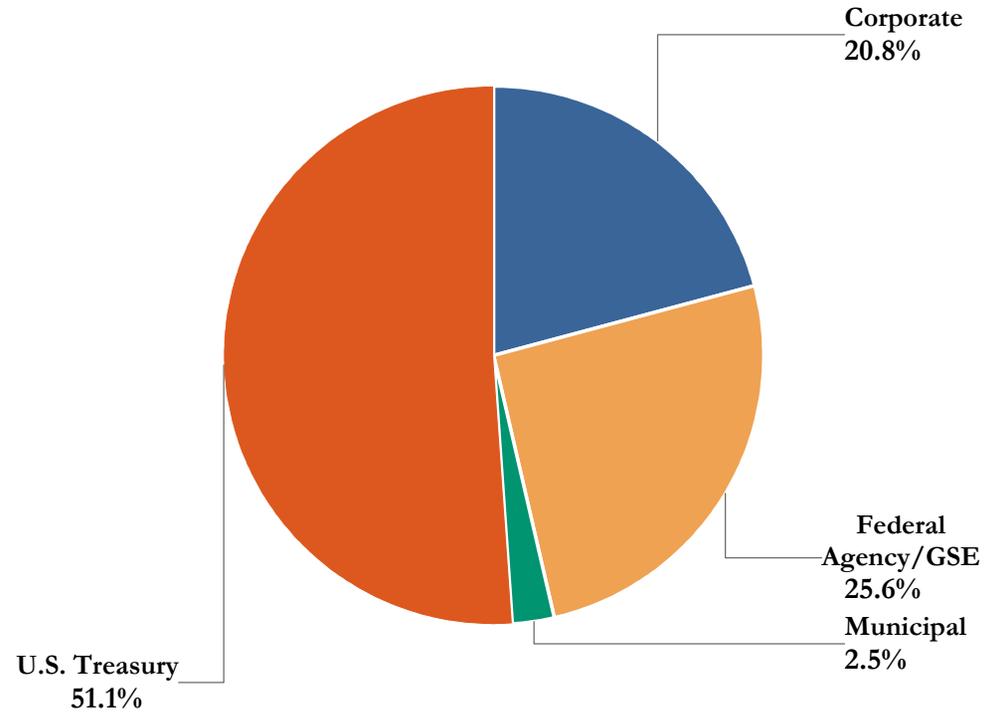
Portfolio Earnings
Quarter-Ended June 30, 2016

	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
Beginning Value (03/30/2016)	\$18,420,091.72	\$18,230,999.05
Net Purchases/Sales	\$3,543.29	\$3,543.29
Change in Value	\$68,089.83	\$6,909.15
Ending Value (06/30/2016)	\$18,491,724.84	\$18,241,451.49
Interest Earned	\$66,676.40	\$66,676.40
Portfolio Earnings	\$134,766.23	\$73,585.55

Sector Allocation

As of June 30, 2016

Sector	Market Value (\$)	% of Portfolio
U.S. Treasury	9,474,552	51.2%
Federal Agency/GSE	4,724,943	25.6%
Corporate	3,839,022	20.8%
Municipal	453,207	2.5%
Total	18,491,725	100.1%

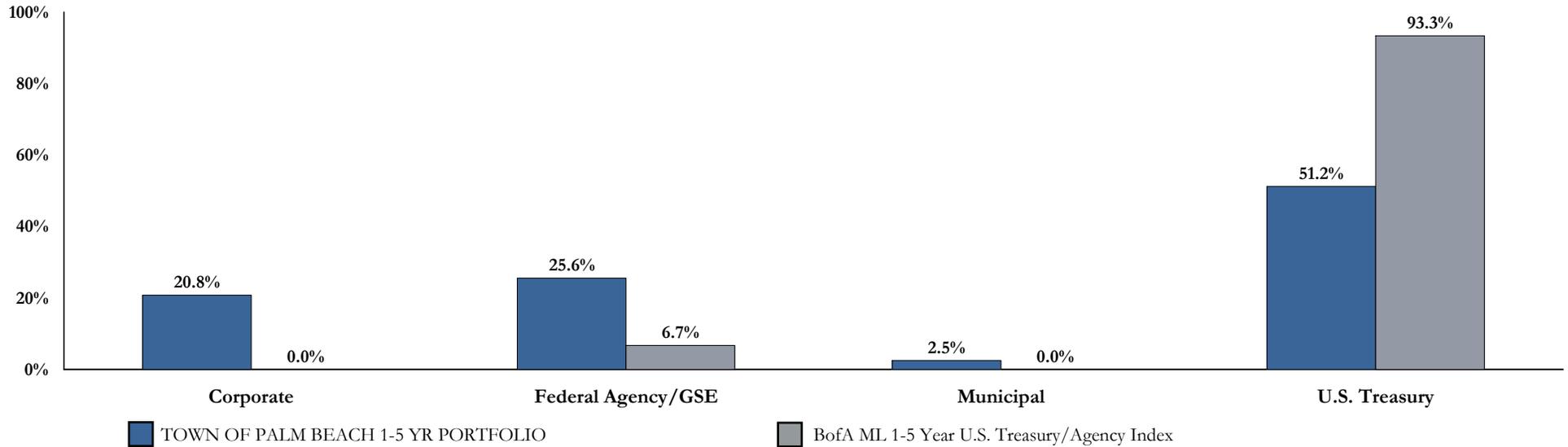


Detail may not add to total due to rounding.

Sector Allocation

As of June 30, 2016

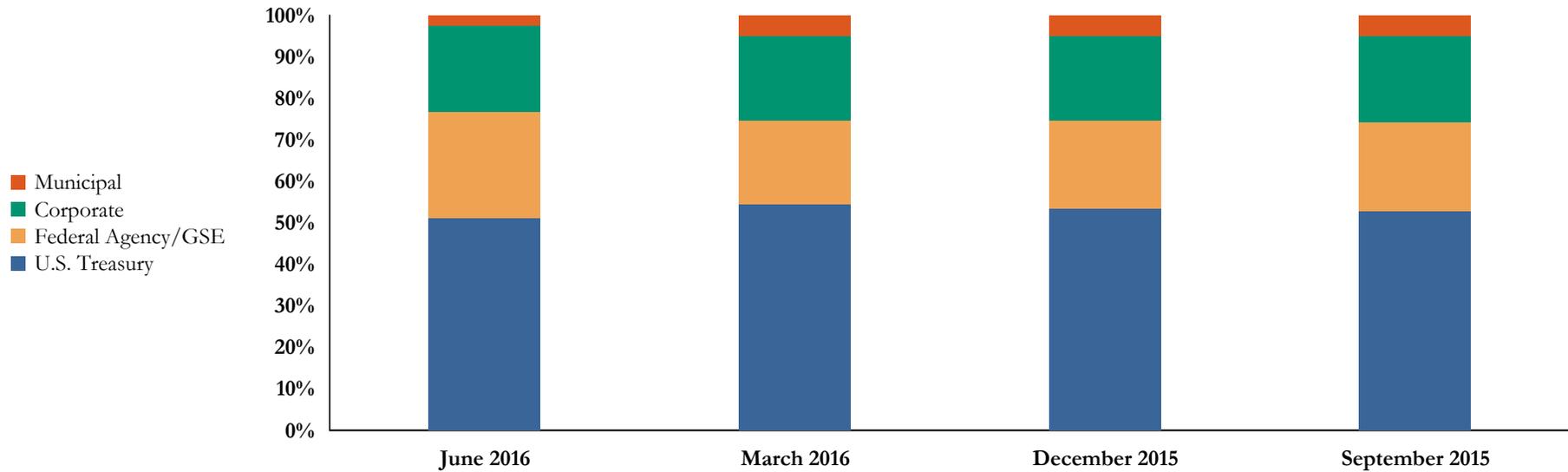
Sector	Market Value (\$)	% of Portfolio	% of Benchmark
U.S. Treasury	9,474,552	51.2%	93.3%
Federal Agency/GSE	4,724,943	25.6%	6.7%
Corporate	3,839,022	20.8%	-
Municipal	453,207	2.5%	-
Total	18,491,725	100.1%	100.0%



Detail may not add to total due to rounding.

Sector Allocation

Sector	June 30, 2016		March 31, 2016		December 31, 2015		September 30, 2015	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	9.5	51.1%	10.0	54.5%	9.7	53.3%	9.6	52.8%
Federal Agency/GSE	4.7	25.6%	3.7	20.2%	3.9	21.4%	3.9	21.4%
Corporate	3.8	20.8%	3.8	20.4%	3.7	20.3%	3.8	20.9%
Municipal	0.5	2.5%	0.9	4.9%	0.9	5.0%	0.9	4.9%
Total	\$18.5	100.0%	\$18.4	100.0%	\$18.1	100.0%	\$18.2	100.0%

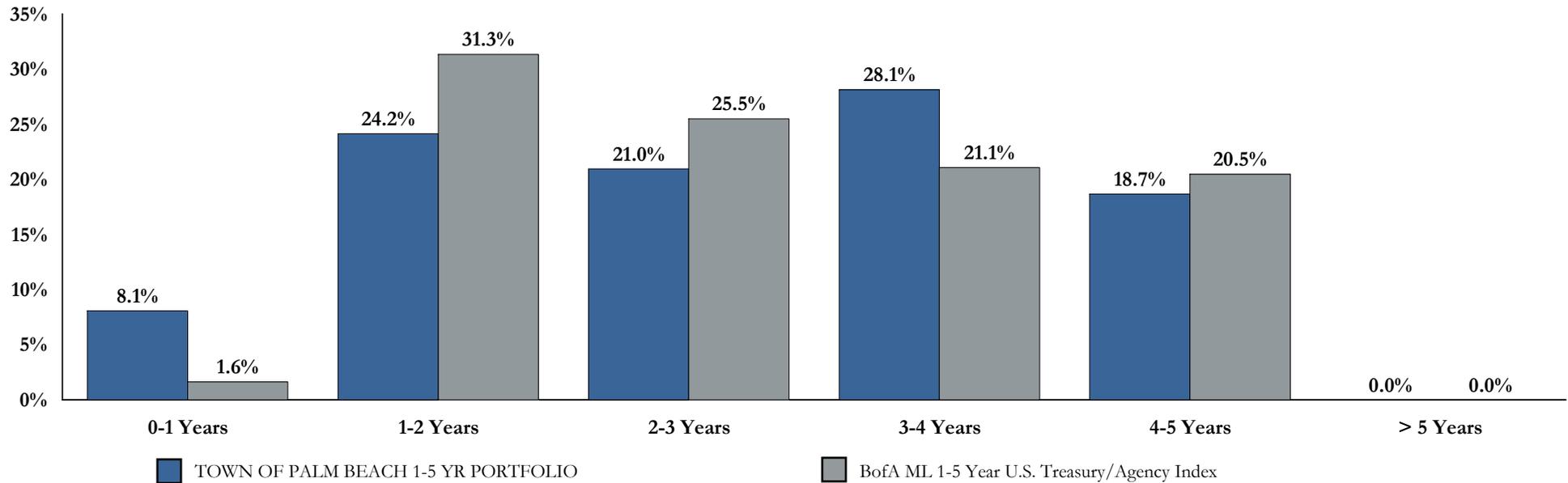


Detail may not add to total due to rounding.

Maturity Distribution

As of June 30, 2016

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	0.89%	2.74 yrs	8.1%	24.2%	21.0%	28.1%	18.7%	0.0%
BofA ML 1-5 Year U.S. Treasury/Agency Index	0.73%	2.81 yrs	1.6%	31.3%	25.5%	21.1%	20.5%	0.0%

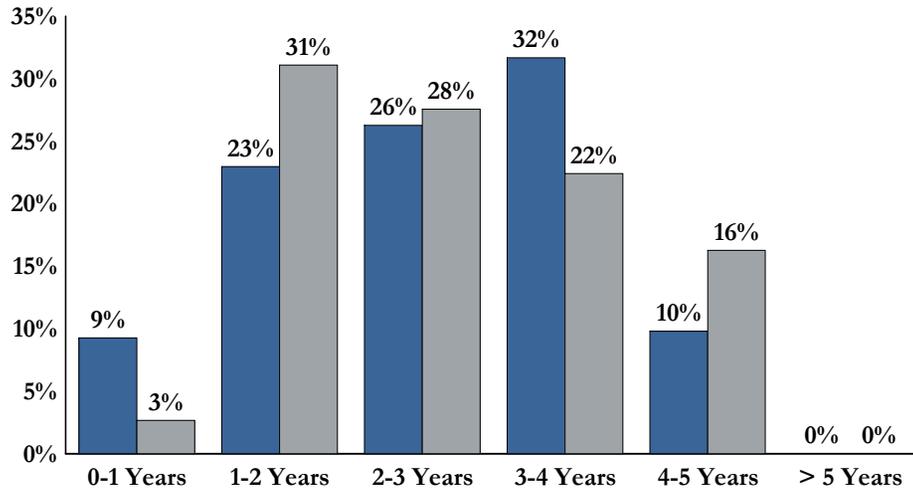


Duration Distribution

As of June 30, 2016

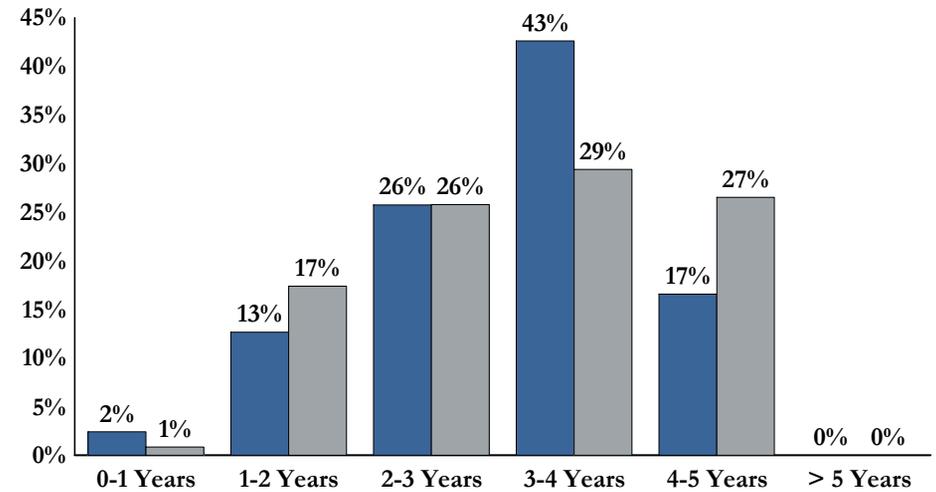
Portfolio / Benchmark	Effective Duration	0-1 YEARS	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
TOWN OF PALM BEACH 1-5 YR PORTFOLIO	2.63	9.27%	22.96%	26.28%	31.68%	9.80%	0.00%
BofA ML 1-5 Year U.S. Treasury/Agency Index	2.61	2.67%	31.08%	27.56%	22.42%	16.27%	0.00%

Distribution by Effective Duration



■ TOWN OF PALM BEACH 1-5 YR PORTFOLIO
 ■ BofA ML 1-5 Year U.S. Treasury/Agency Index

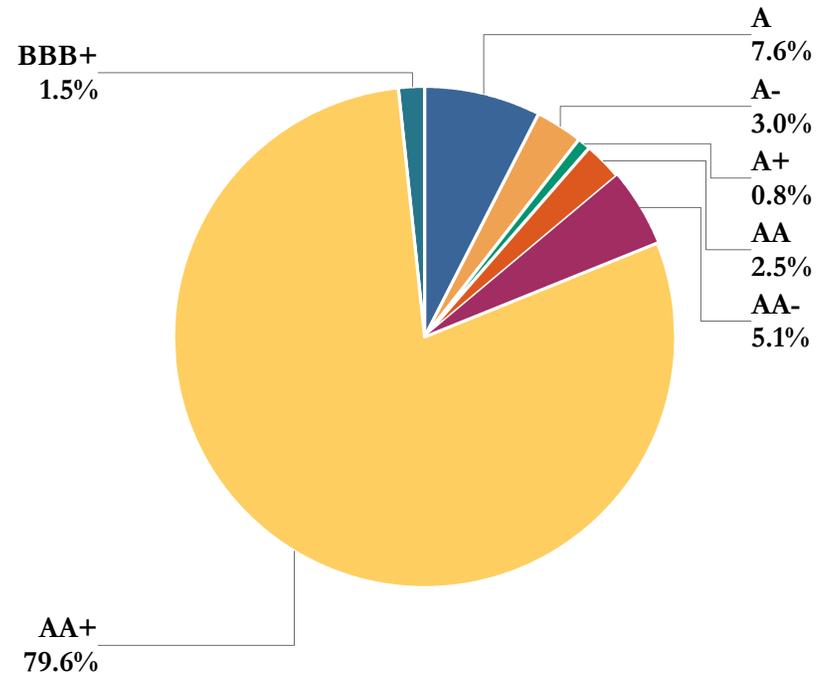
Contribution to Portfolio Duration



■ TOWN OF PALM BEACH 1-5 YR PORTFOLIO
 ■ BofA ML 1-5 Year U.S. Treasury/Agency Index

Credit Quality
As of June 30, 2016

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$14,713,855	79.6%
A	\$1,402,525	7.6%
AA-	\$939,411	5.1%
A-	\$558,083	3.0%
AA	\$453,207	2.5%
BBB+	\$282,873	1.5%
A+	\$141,771	0.8%
Totals	\$18,491,725	100.0%



Detail may not add to total due to rounding.

Issuer Distribution

As of June 30, 2016

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	9,474,552	51.3%
FANNIE MAE	2,485,594	13.4%
FREDDIE MAC	1,764,989	9.5%
GENERAL ELECTRIC CO	514,359	2.8%
FEDERAL HOME LOAN BANKS	474,360	2.6%
TOYOTA MOTOR CORP	462,035	2.5%
BANK OF NEW YORK CO INC	459,176	2.5%
WELLS FARGO & COMPANY	457,634	2.5%
CITY OF NEW YORK CITY, NY	453,207	2.5%
CISCO SYSTEMS INC	416,502	2.3%
JP MORGAN CHASE & CO	354,814	1.9%
GOLDMAN SACHS GROUP INC	282,873	1.5%
BOEING COMPANY	219,954	1.2%
DEERE & COMPANY	215,133	1.2%
AMERICAN HONDA FINANCE	141,771	0.8%
AMERICAN EXPRESS CO	111,951	0.6%
BB&T CORPORTATION	91,318	0.5%
NEW YORK UNIVERSITY	60,875	0.3%

Top 5 = 79.6%

Top 10 = 91.7%

Issuer	Market Value (\$)	% of Portfolio
STATE STREET CORPORATION	50,628	0.3%
Grand Total:	18,491,725	100.0%

Sector/Issuer Distribution

As of June 30, 2016

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Corporate			
AMERICAN EXPRESS CO	111,951	2.9%	0.6%
AMERICAN HONDA FINANCE	141,771	3.7%	0.8%
BANK OF NEW YORK CO INC	459,176	12.0%	2.5%
BB&T CORPORTATION	91,318	2.4%	0.5%
BOEING COMPANY	219,954	5.7%	1.2%
CISCO SYSTEMS INC	416,502	10.8%	2.3%
DEERE & COMPANY	215,133	5.6%	1.2%
GENERAL ELECTRIC CO	514,359	13.4%	2.8%
GOLDMAN SACHS GROUP INC	282,873	7.4%	1.5%
JP MORGAN CHASE & CO	354,814	9.2%	1.9%
NEW YORK UNIVERSITY	60,875	1.6%	0.3%
STATE STREET CORPORATION	50,628	1.3%	0.3%
TOYOTA MOTOR CORP	462,035	12.0%	2.5%
WELLS FARGO & COMPANY	457,634	11.9%	2.5%
Sector Total	3,839,022	100.0%	20.8%
Federal Agency/GSE			
FANNIE MAE	2,485,594	52.6%	13.4%
FEDERAL HOME LOAN BANKS	474,360	10.0%	2.6%
FREDDIE MAC	1,764,989	37.4%	9.5%

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Composition

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Sector Total	4,724,943	100.0%	25.6%
Municipal			
CITY OF NEW YORK CITY, NY	453,207	100.0%	2.5%
Sector Total	453,207	100.0%	2.5%
U.S. Treasury			
UNITED STATES TREASURY	9,474,552	100.0%	51.2%
Sector Total	9,474,552	100.0%	51.2%
Portfolio Total	18,491,725	100.0%	100.0%

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
4/20/16	4/25/16	40,000	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	39,888.80	2.10%	
4/21/16	4/26/16	240,000	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	239,859.73	2.02%	
5/3/16	5/6/16	320,000	912828A42	US TREASURY NOTE	2.00%	11/30/20	333,850.34	1.22%	
5/5/16	5/10/16	110,000	0258M0EB1	AMERICAN EXPRESS CREDIT CORP NOTES	2.25%	5/5/21	110,636.08	2.13%	
5/6/16	5/9/16	320,000	3135G0E33	FNMA NOTES	1.12%	7/20/18	323,342.80	0.80%	
5/11/16	5/16/16	90,000	05531FAV5	BRANCH BANKING & TRUST CORP NOTE	2.05%	5/10/21	89,911.95	2.08%	
5/19/16	5/24/16	50,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	49,824.54	2.03%	
5/26/16	5/31/16	260,000	912828B90	US TREASURY NOTES	2.00%	2/28/21	269,059.38	1.35%	
6/2/16	6/3/16	470,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	469,802.60	1.14%	
6/22/16	6/27/16	100,000	912828J84	US TREASURY NOTES	1.37%	3/31/20	101,557.16	1.04%	
6/22/16	6/27/16	100,000	912828J84	US TREASURY NOTES	1.37%	3/31/20	101,604.04	1.03%	
6/23/16	6/28/16	249,000	912828J84	US TREASURY NOTES	1.37%	3/31/20	252,662.98	1.07%	
6/27/16	6/29/16	475,000	3135G0K69	FNMA BENCHMARK NOTE	1.25%	5/6/21	478,084.20	1.14%	
Total BUY		2,824,000					2,860,084.60		
INTEREST									
4/1/16	4/1/16	265,000	64966LZC8	NYC, NY TXBL GO BONDS	1.65%	10/1/18	2,186.25		
4/1/16	4/1/16	0	MONEY0002	MONEY MARKET FUND			7.78		
4/1/16	4/1/16	450,000	759911X88	REGIONAL TRANS AUTH, IL TXBL REV BONDS	0.55%	5/6/16	1,237.50		
4/7/16	4/7/16	40,000	02665WAB7	AMERICAN HONDA FINANCE GLOBAL NOTES	1.12%	10/7/16	225.00		
4/11/16	4/11/16	215,000	24422ESD2	JOHN DEERE CAPITAL CORP	1.05%	10/11/16	1,128.75		
4/26/16	4/26/16	500,000	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	2,187.50		
4/29/16	4/29/16	220,000	097023BF1	BOEING COMPANY (FLOATING) NOTE	0.76%	10/30/17	413.25		
4/30/16	4/30/16	260,000	912828TW0	US TREASURY NOTES	0.75%	10/31/17	975.00		

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
4/30/16	4/30/16	480,000	912828ST8	US TREASURY NOTES	1.25%	4/30/19	3,000.00		
4/30/16	4/30/16	165,000	912828UZ1	US TREASURY NOTES	0.62%	4/30/18	515.63		
5/2/16	5/2/16	0	MONEY0002	MONEY MARKET FUND			4.92		
5/6/16	5/6/16	450,000	759911X88	REGIONAL TRANS AUTH, IL TXBL REV BONDS	0.55%	5/6/16	240.63		
5/21/16	5/21/16	485,000	3135G0WJ8	FANNIE MAE GLOBAL NOTES	0.87%	5/21/18	2,121.88		
5/23/16	5/23/16	275,000	3130A3J70	FHLB NOTES	0.62%	11/23/16	859.38		
5/30/16	5/30/16	390,000	3137EADG1	FREDDIE MAC NOTES	1.75%	5/30/19	3,412.50		
5/31/16	5/31/16	240,000	912828UB4	US TREASURY NOTES	1.00%	11/30/19	1,200.00		
5/31/16	5/31/16	270,000	912828A42	US TREASURY NOTE	2.00%	11/30/20	2,700.00		
5/31/16	5/31/16	465,000	912828UA6	US TREASURY NOTES	0.62%	11/30/17	1,453.13		
5/31/16	5/31/16	615,000	912828A34	US TREASURY NOTES	1.25%	11/30/18	3,843.75		
5/31/16	5/31/16	370,000	912828A42	US TREASURY NOTE	2.00%	11/30/20	3,700.00		
6/1/16	6/1/16	180,000	64966LN49	NYC, NY TXBL GO BONDS	1.80%	6/1/19	1,620.00		
6/1/16	6/1/16	0	MONEY0002	MONEY MARKET FUND			9.97		
6/15/16	6/15/16	400,000	17275RAX0	CISCO SYSTEMS INC CORP NOTES	2.45%	6/15/20	4,900.00		
6/21/16	6/21/16	470,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	264.38		
6/29/16	6/29/16	495,000	3137EADH9	FREDDIE MAC GLOBAL NOTES	1.00%	6/29/17	2,475.00		
6/30/16	6/30/16	800,000	912828UE8	US TREASURY NOTES	0.75%	12/31/17	3,000.00		
Total INTEREST		8,500,000					43,682.20		
MATURITY									
5/6/16	5/6/16	450,000	759911X88	REGIONAL TRANS AUTH, IL TXBL REV BONDS	0.55%	5/6/16	450,000.00		0.00
Total MATURITY		450,000					450,000.00		0.00
SELL									
4/21/16	4/26/16	240,000	912828SC5	US TREASURY NOTES	0.87%	1/31/17	241,180.53	0.50%	691.73

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
5/3/16	5/6/16	250,000	912828SJ0	US TREASURY NOTES	0.87%	2/28/17	251,062.33	0.55%	793.71
5/3/16	5/6/16	80,000	912828SC5	US TREASURY NOTES	0.87%	1/31/17	80,394.00	0.52%	211.74
5/11/16	5/16/16	90,000	912828B90	US TREASURY NOTES	2.00%	2/28/21	93,684.83	1.21%	441.58
5/19/16	5/24/16	50,000	912828A42	US TREASURY NOTE	2.00%	11/30/20	51,918.37	1.34%	(276.90)
5/26/16	5/31/16	275,000	3130A3J70	FHLB NOTES	0.62%	11/23/16	275,054.69	0.61%	(133.80)
6/2/16	6/3/16	480,000	912828ST8	US TREASURY NOTES	1.25%	4/30/19	483,966.85	1.00%	8,236.10
6/22/16	6/27/16	100,000	002824AZ3	ABBOTT LABORATORIES	2.00%	3/15/20	101,184.67	1.83%	117.54
6/22/16	6/27/16	100,000	002824AZ3	ABBOTT LABORATORIES	2.00%	3/15/20	101,249.67	1.81%	182.54
6/23/16	6/28/16	250,000	002824AZ3	ABBOTT LABORATORIES	2.00%	3/15/20	252,728.06	1.85%	47.24
6/27/16	6/29/16	470,000	912828SM3	US TREASURY NOTES	1.00%	3/31/17	472,918.24	0.50%	816.74
Total SELL		2,385,000					2,405,342.24		11,128.22

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	4/1/16	4/1/16	265,000.00	64966LZC8	NYC, NY TXBL GO BONDS	1.65%	10/1/18	2,186.25		
INTEREST	4/1/16	4/1/16	0.00	MONEY0002	MONEY MARKET FUND			7.78		
INTEREST	4/1/16	4/1/16	450,000.00	759911X88	REGIONAL TRANS AUTH, IL TXBL REV BONDS	0.55%	5/6/16	1,237.50		
INTEREST	4/7/16	4/7/16	40,000.00	02665WAB7	AMERICAN HONDA FINANCE GLOBAL NOTES	1.12%	10/7/16	225.00		
INTEREST	4/11/16	4/11/16	215,000.00	24422ESD2	JOHN DEERE CAPITAL CORP	1.05%	10/11/16	1,128.75		
BUY	4/20/16	4/25/16	40,000.00	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	(39,888.80)	2.10%	
BUY	4/21/16	4/26/16	240,000.00	38141GVT8	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.00%	4/25/19	(239,859.73)	2.02%	
SELL	4/21/16	4/26/16	240,000.00	912828SC5	US TREASURY NOTES	0.87%	1/31/17	241,180.53	0.50%	691.73
INTEREST	4/26/16	4/26/16	500,000.00	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	2,187.50		
INTEREST	4/29/16	4/29/16	220,000.00	097023BF1	BOEING COMPANY (FLOATING) NOTE	0.76%	10/30/17	413.25		
INTEREST	4/30/16	4/30/16	260,000.00	912828TW0	US TREASURY NOTES	0.75%	10/31/17	975.00		
INTEREST	4/30/16	4/30/16	480,000.00	912828ST8	US TREASURY NOTES	1.25%	4/30/19	3,000.00		
INTEREST	4/30/16	4/30/16	165,000.00	912828UZ1	US TREASURY NOTES	0.62%	4/30/18	515.63		
INTEREST	5/2/16	5/2/16	0.00	MONEY0002	MONEY MARKET FUND			4.92		
BUY	5/3/16	5/6/16	320,000.00	912828A42	US TREASURY NOTE	2.00%	11/30/20	(333,850.34)	1.22%	
SELL	5/3/16	5/6/16	250,000.00	912828SJ0	US TREASURY NOTES	0.87%	2/28/17	251,062.33	0.55%	793.71
SELL	5/3/16	5/6/16	80,000.00	912828SC5	US TREASURY NOTES	0.87%	1/31/17	80,394.00	0.52%	211.74
BUY	5/5/16	5/10/16	110,000.00	0258M0EB1	AMERICAN EXPRESS CREDIT CORP NOTES	2.25%	5/5/21	(110,636.08)	2.13%	
INTEREST	5/6/16	5/6/16	450,000.00	759911X88	REGIONAL TRANS AUTH, IL TXBL REV BONDS	0.55%	5/6/16	240.63		

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
MATURITY	5/6/16	5/6/16	450,000.00	759911X88	REGIONAL TRANS AUTH, IL TXBL REV BONDS	0.55%	5/6/16	450,000.00		0.00
BUY	5/6/16	5/9/16	320,000.00	3135G0E33	FNMA NOTES	1.12%	7/20/18	(323,342.80)	0.80%	
BUY	5/11/16	5/16/16	90,000.00	05531FAV5	BRANCH BANKING & TRUST CORP NOTE	2.05%	5/10/21	(89,911.95)	2.08%	
SELL	5/11/16	5/16/16	90,000.00	912828B90	US TREASURY NOTES	2.00%	2/28/21	93,684.83	1.21%	441.58
BUY	5/19/16	5/24/16	50,000.00	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	(49,824.54)	2.03%	
SELL	5/19/16	5/24/16	50,000.00	912828A42	US TREASURY NOTE	2.00%	11/30/20	51,918.37	1.34%	(276.90)
INTEREST	5/21/16	5/21/16	485,000.00	3135G0WJ8	FANNIE MAE GLOBAL NOTES	0.87%	5/21/18	2,121.88		
INTEREST	5/23/16	5/23/16	275,000.00	3130A3J70	FHLB NOTES	0.62%	11/23/16	859.38		
BUY	5/26/16	5/31/16	260,000.00	912828B90	US TREASURY NOTES	2.00%	2/28/21	(269,059.38)	1.35%	
SELL	5/26/16	5/31/16	275,000.00	3130A3J70	FHLB NOTES	0.62%	11/23/16	275,054.69	0.61%	(133.80)
INTEREST	5/30/16	5/30/16	390,000.00	3137EADG1	FREDDIE MAC NOTES	1.75%	5/30/19	3,412.50		
INTEREST	5/31/16	5/31/16	240,000.00	912828UB4	US TREASURY NOTES	1.00%	11/30/19	1,200.00		
INTEREST	5/31/16	5/31/16	270,000.00	912828A42	US TREASURY NOTE	2.00%	11/30/20	2,700.00		
INTEREST	5/31/16	5/31/16	465,000.00	912828UA6	US TREASURY NOTES	0.62%	11/30/17	1,453.13		
INTEREST	5/31/16	5/31/16	615,000.00	912828A34	US TREASURY NOTES	1.25%	11/30/18	3,843.75		
INTEREST	5/31/16	5/31/16	370,000.00	912828A42	US TREASURY NOTE	2.00%	11/30/20	3,700.00		
INTEREST	6/1/16	6/1/16	180,000.00	64966LN49	NYC, NY TXBL GO BONDS	1.80%	6/1/19	1,620.00		
INTEREST	6/1/16	6/1/16	0.00	MONEY0002	MONEY MARKET FUND			9.97		
BUY	6/2/16	6/3/16	470,000.00	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	(469,802.60)	1.14%	
SELL	6/2/16	6/3/16	480,000.00	912828ST8	US TREASURY NOTES	1.25%	4/30/19	483,966.85	1.00%	8,236.10
INTEREST	6/15/16	6/15/16	400,000.00	17275RAX0	CISCO SYSTEMS INC CORP NOTES	2.45%	6/15/20	4,900.00		
INTEREST	6/21/16	6/21/16	470,000.00	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	264.38		

TOWN OF PALM BEACH 1-5 YR PORTFOLIO

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
BUY	6/22/16	6/27/16	100,000.00	912828J84	US TREASURY NOTES	1.37%	3/31/20	(101,557.16)	1.04%	
BUY	6/22/16	6/27/16	100,000.00	912828J84	US TREASURY NOTES	1.37%	3/31/20	(101,604.04)	1.03%	
SELL	6/22/16	6/27/16	100,000.00	002824AZ3	ABBOTT LABORATORIES	2.00%	3/15/20	101,184.67	1.83%	117.54
SELL	6/22/16	6/27/16	100,000.00	002824AZ3	ABBOTT LABORATORIES	2.00%	3/15/20	101,249.67	1.81%	182.54
BUY	6/23/16	6/28/16	249,000.00	912828J84	US TREASURY NOTES	1.37%	3/31/20	(252,662.98)	1.07%	
SELL	6/23/16	6/28/16	250,000.00	002824AZ3	ABBOTT LABORATORIES	2.00%	3/15/20	252,728.06	1.85%	47.24
BUY	6/27/16	6/29/16	475,000.00	3135G0K69	FNMA BENCHMARK NOTE	1.25%	5/6/21	(478,084.20)	1.14%	
SELL	6/27/16	6/29/16	470,000.00	912828SM3	US TREASURY NOTES	1.00%	3/31/17	472,918.24	0.50%	816.74
INTEREST	6/29/16	6/29/16	495,000.00	3137EADH9	FREDDIE MAC GLOBAL NOTES	1.00%	6/29/17	2,475.00		
INTEREST	6/30/16	6/30/16	800,000.00	912828UE8	US TREASURY NOTES	0.75%	12/31/17	3,000.00		
TOTALS								38,939.84		11,128.22

Short Term and Bond Proceed Portfolios Statistics

<u>Account Name</u>	<u>Amortized Cost^{1,2,3} June 30, 2016</u>	<u>Amortized Cost^{1,2,3} March 31, 2016</u>	<u>Market Value^{1,2,3} June 30, 2016</u>	<u>Market Value^{1,2,3} March 31, 2016</u>	<u>Duration (Years)⁴ June 30, 2016</u>
Short Term Portfolio - 4245	\$13,984,264.85	\$13,963,620.37	\$13,988,536.50	\$13,968,765.50	0.150
2013 Bond Fund - 4265	23,289,301.14	27,074,179.11	23,336,053.80	27,108,780.56	0.520
Money Market Fund - FEITF Excess Funds - 174 ⁸	3,019,569.27	19,443.97	3,019,569.27	19,443.97	41 Days
Money Market Fund -FEITF 2013 Bond Fund - 357 ⁸	3,005,362.60	5,254.13	3,005,362.60	5,254.13	41 Days
Money Market Account -Bank United 1280 -Short Term	1,034,334.09	1,033,309.00	1,034,334.09	1,033,309.00	0.001
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - Short Term	150,383.33	\$52,169.24	59,274.31	\$52,169.24	34 Days
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - 2013 Bond Fund	1,983,728.26	85,739.26	1,983,728.26	85,739.26	34 Days
Total	\$46,466,943.54	\$42,233,715.08	\$46,426,858.83	\$42,273,461.66	

<u>Account Name</u>	<u>Yield to Maturity at Cost^{5,6} June 30, 2016</u>	<u>Yield to Maturity at Cost^{5,6} March 31, 2016</u>	<u>Yield to Maturity at Market^{5,6} June 30, 2016</u>	<u>Yield to Maturity at Market^{5,6} March 31, 2016</u>	<u>Duration (Years)⁴ March 31, 2016</u>
Short Term Portfolio - 4245	0.78%	0.8%	0.51%	0.66%	0.330
2013 Bond Fund - 4265	0.67%	0.63%	0.37%	0.50%	0.670
Money Market Fund - FEITF Excess Funds - 174 ^{8,8}	0.63%	0.49%	0.63%	0.49%	55 Days
Money Market Fund - FEITF 2013 Bond Fund - 3576, ⁸	0.63%	0.49%	0.63%	0.49%	55 Days
Money Market Account -Bank United 1280 -Short Term	0.40%	0.40%	0.40%	0.40%	0.001
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - Short Term	0.14%	0.10%	0.14%	0.10%	38 Days
Money Market Fund - Goldman Sachs Financial Squares Government Fund (TD Bank) - 2013 Bond Fund	0.14%	0.10%	0.14%	0.10%	38 Days
Weighted Average Yield	0.006675665	0.67%	0.44%	0.55%	

Benchmarks

	<u>June 30, 2016</u>	<u>March 31, 2016</u>
S&P GIP Government 30 Day Index ⁷	0.42%	0.39%

Notes:

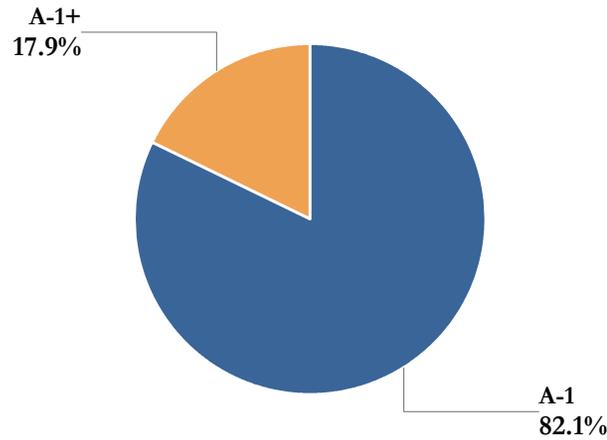
- End of quarter trade-date market values of portfolio holdings, including accrued interest.
- In order to comply with GASB accrual accounting reporting requirements; forward settling trades are included in the monthly balances.
- Includes any money market fund/cash balances held in custodian account.
- Money Market Fund duration is based on weighted average duration in days.
- Past performance is not indicative of future results.
- Seven day yield as of quarter end. The yields shown above represent past performance. Past performance is no guarantee of future results and yields may vary. The current fund performance may be higher or lower than that cited. The current seven-day yield does not include realized gains and losses on the sale of securities. The yields shown above may reflect fee waivers by service providers that subsidize and reduce the total operating expenses of the Funds. Fund yields would be lower if there were no such waivers.
- Monthly yields, source Bloomberg.
- PFM Prime Funds were moved into FEITF during the second quarter of 2016. All March 31, 2016 numbers reflect PFM PRIME balances and statistics.

Portfolio Statistics

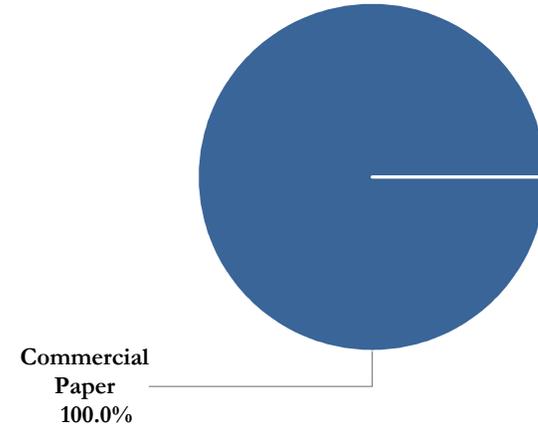
As of June 30, 2016

Par Value:	14,000,000
Total Market Value:	14,047,811
Security Market Value:	13,988,537
Accrued Interest:	0
Cash:	59,274
PFM	-
Amortized Cost:	13,984,265
Yield at Market:	0.51%
Yield at Cost:	0.78%
Effective Duration:	0.15 Years
Duration to Worst:	0.15 Years
Average Maturity:	0.15 Years
Average Credit: **	AAA
Benchmark Eff. Yield:	0.42%

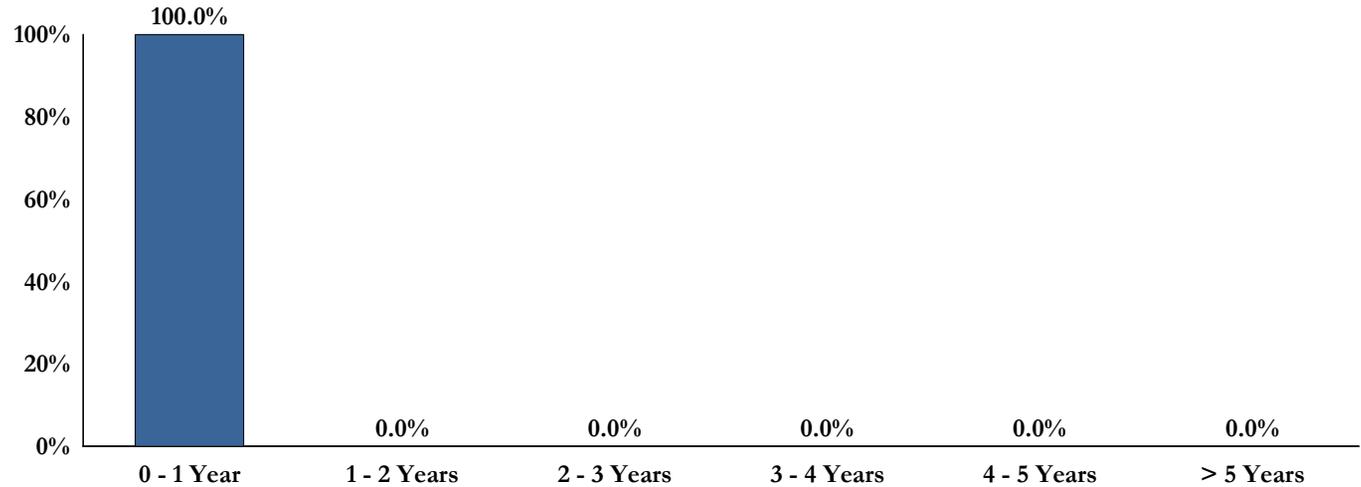
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



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

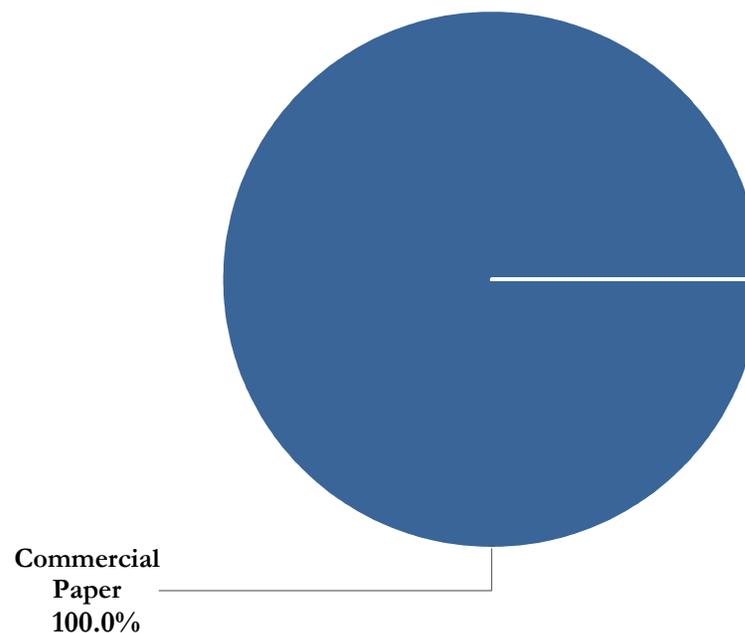
Portfolio Earnings
Quarter-Ended June 30, 2016

	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
Beginning Value (03/30/2016)	\$13,968,765.50	\$13,963,620.37
Net Purchases/Sales	(\$6,970.00)	(\$6,970.00)
Change in Value	\$26,741.00	\$27,614.48
Ending Value (06/30/2016)	\$13,988,536.50	\$13,984,264.85
Interest Earned	\$15.47	\$15.47
Portfolio Earnings	\$26,756.47	\$27,629.95

Sector Allocation

As of June 30, 2016

Sector	Market Value (\$)	% of Portfolio
Commercial Paper	13,988,537	100.0%
Total	13,988,537	100.0%

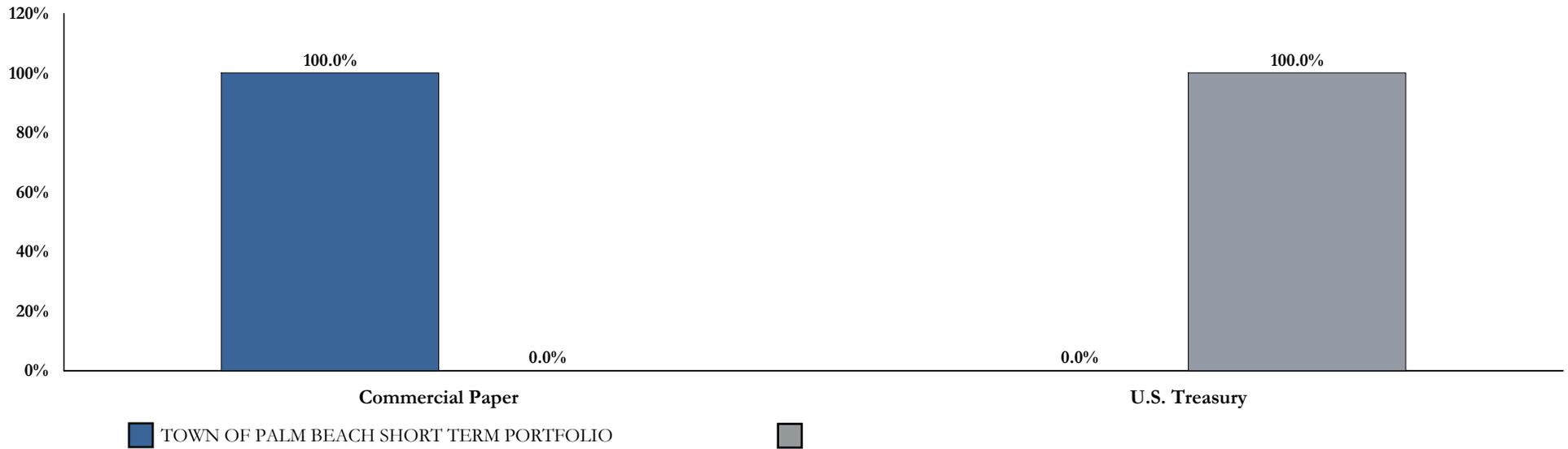


Detail may not add to total due to rounding.

Sector Allocation

As of June 30, 2016

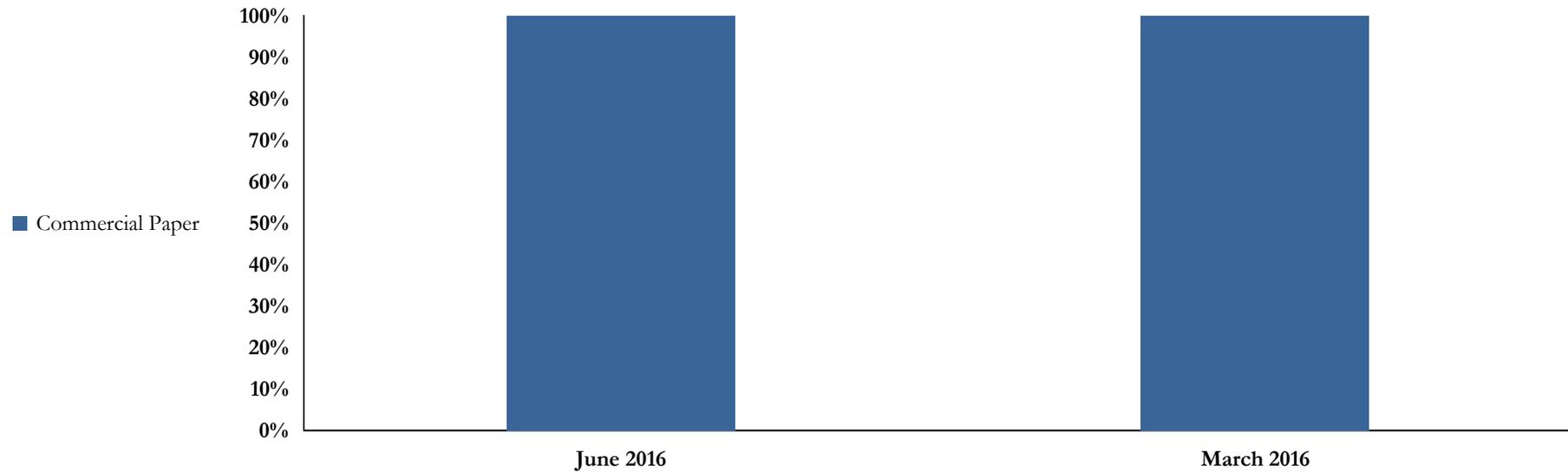
Sector	Market Value (\$)	% of Portfolio	% of Benchmark
Commercial Paper	13,988,537	100.0%	-
U.S. Treasury	0	-	100.0%
Total	13,988,537	100.0%	100.0%



Detail may not add to total due to rounding.

Sector Allocation

Sector	June 30, 2016		March 30, 2016		December 30, 2015		September 30, 2015	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Commercial Paper	14.0	100.0%	14.0	100.0%	0.0	0.0%	0.0	0.0%
Total	\$14.0	100.0%	\$14.0	100.0%	\$0.0	0.0%	\$0.0	0.0%

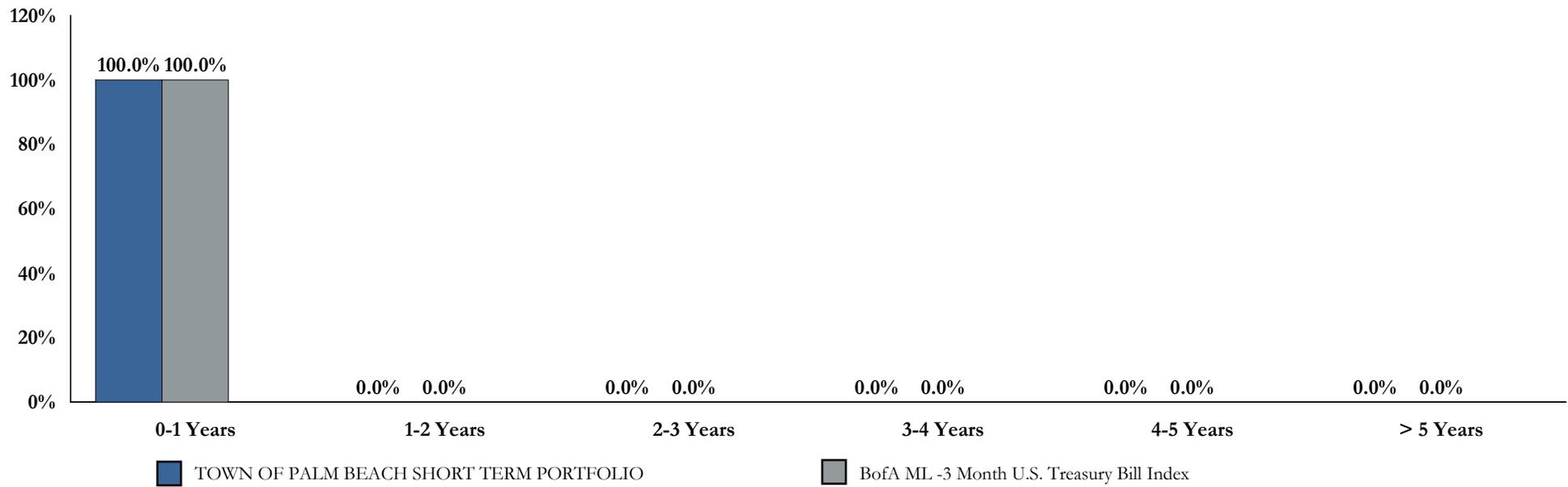


Detail may not add to total due to rounding.

Maturity Distribution

As of June 30, 2016

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
TOWN OF PALM BEACH SHORT TERM PORTFOLIO	0.51%	0.15 yrs	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
BofA ML -3 Month U.S. Treasury Bill Index	0.23%	0.17 yrs	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%

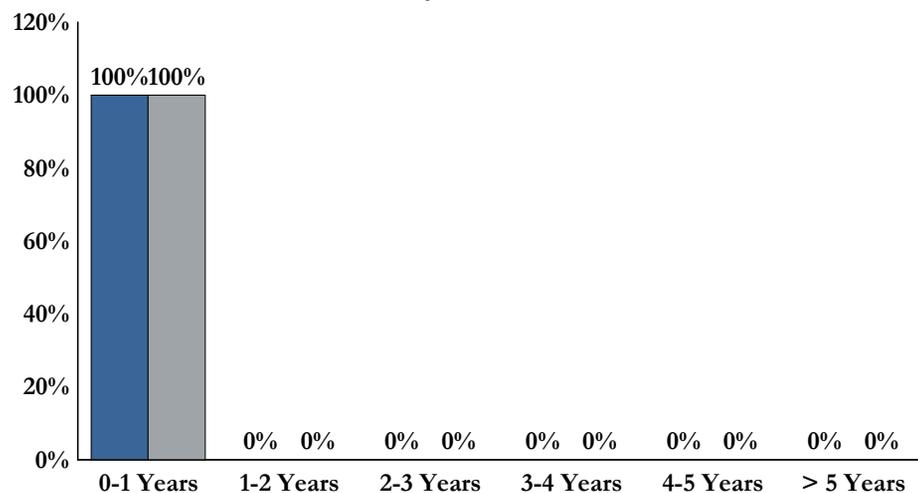


Duration Distribution

As of June 30, 2016

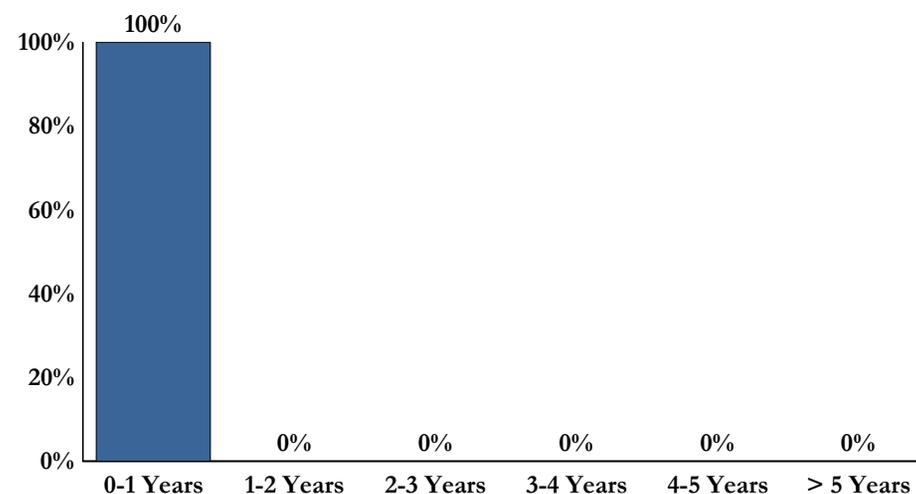
Portfolio / Benchmark	Effective Duration	0-1 YEARS	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
TOWN OF PALM BEACH SHORT TERM PORTFOLIO	0.15	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
BofA ML -3 Month U.S. Treasury Bill Index	0.08	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Distribution by Effective Duration



■ TOWN OF PALM BEACH SHORT TERM PORTFOLIO
■ BofA ML -3 Month U.S. Treasury Bill Index

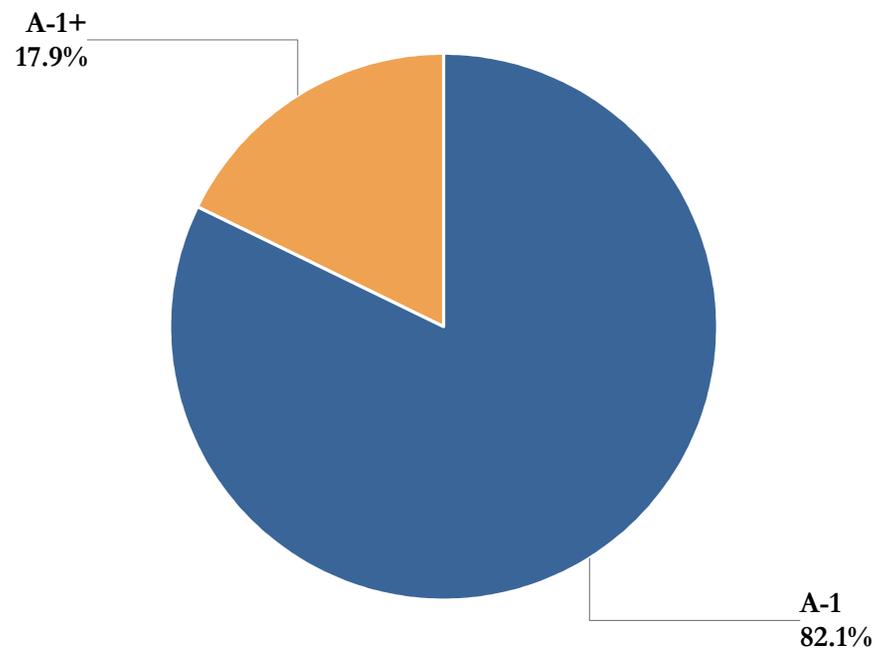
Contribution to Portfolio Duration



Credit Quality

As of June 30, 2016

S&P Rating	Market Value (\$)	% of Portfolio
A-1	\$11,490,004	82.1%
A-1+	\$2,498,533	17.9%
Totals	\$13,988,537	100.0%



Detail may not add to total due to rounding.

Issuer Distribution*As of June 30, 2016*

Issuer	Market Value (\$)	% of Portfolio
UBS AG	2,998,590	21.4%
MTSUBISHI UFI FINANCIAL GROUP INC	2,998,470	21.4%
BNP PARIBAS	2,994,429	21.4%
TOYOTA MOTOR CORP	2,498,533	17.9%
RABOBANK NEDERLAND	2,498,515	17.9%
Grand Total:	13,988,537	100.0%

Sector/Issuer Distribution*As of June 30, 2016*

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Commercial Paper			
BNP PARIBAS	2,994,429	21.4%	21.4%
MITSUBISHI UFJ FINANCIAL GROUP INC	2,998,470	21.4%	21.4%
RABOBANK NEDERLAND	2,498,515	17.9%	17.9%
TOYOTA MOTOR CORP	2,498,533	17.9%	17.9%
UBS AG	2,998,590	21.4%	21.4%
Sector Total	13,988,537	100.0%	100.0%
Portfolio Total	13,988,537	100.0%	100.0%

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
6/10/16	6/10/16	3,000,000	09659BKB5	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	10/11/16	2,993,030.00	0.68%	
Total BUY		3,000,000					2,993,030.00		
INTEREST									
4/1/16	4/1/16	0	MONEY0002	MONEY MARKET FUND			4.48		
5/2/16	5/2/16	0	MONEY0002	MONEY MARKET FUND			5.27		
6/1/16	6/1/16	0	MONEY0002	MONEY MARKET FUND			5.72		
Total INTEREST		0					15.47		
MATURITY									
6/10/16	6/10/16	3,000,000	09659BFA3	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	6/10/16	3,000,000.00		0.00
Total MATURITY		3,000,000					3,000,000.00		0.00

Quarterly Portfolio Transactions

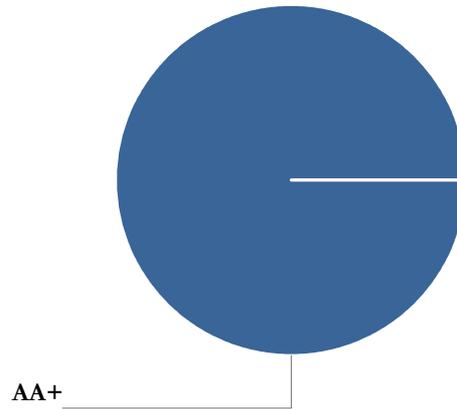
Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	4/1/16	4/1/16	0.00	MONEY0002	MONEY MARKET FUND			4.48		
INTEREST	5/2/16	5/2/16	0.00	MONEY0002	MONEY MARKET FUND			5.27		
INTEREST	6/1/16	6/1/16	0.00	MONEY0002	MONEY MARKET FUND			5.72		
BUY	6/10/16	6/10/16	3,000,000.00	09659BKB5	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	10/11/16	(2,993,030.00)	0.68%	
MATURITY	6/10/16	6/10/16	3,000,000.00	09659BFA3	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	6/10/16	3,000,000.00		0.00
TOTALS								6,985.47		0.00

Portfolio Statistics

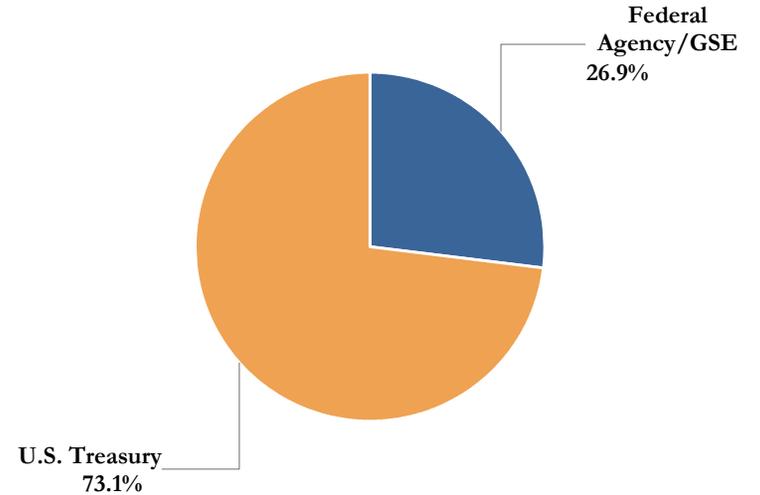
As of June 30, 2016

Par Value:	23,250,000
Total Market Value:	25,319,782
Security Market Value:	23,276,411
Accrued Interest:	59,643
Cash:	1,983,728
PFM	-
Amortized Cost:	23,229,659
Yield at Market:	0.37%
Yield at Cost:	0.67%
Effective Duration:	0.52 Years
Duration to Worst:	0.52 Years
Average Maturity:	0.52 Years
Average Credit: **	AA
Benchmark Eff. Yield:	0.42%

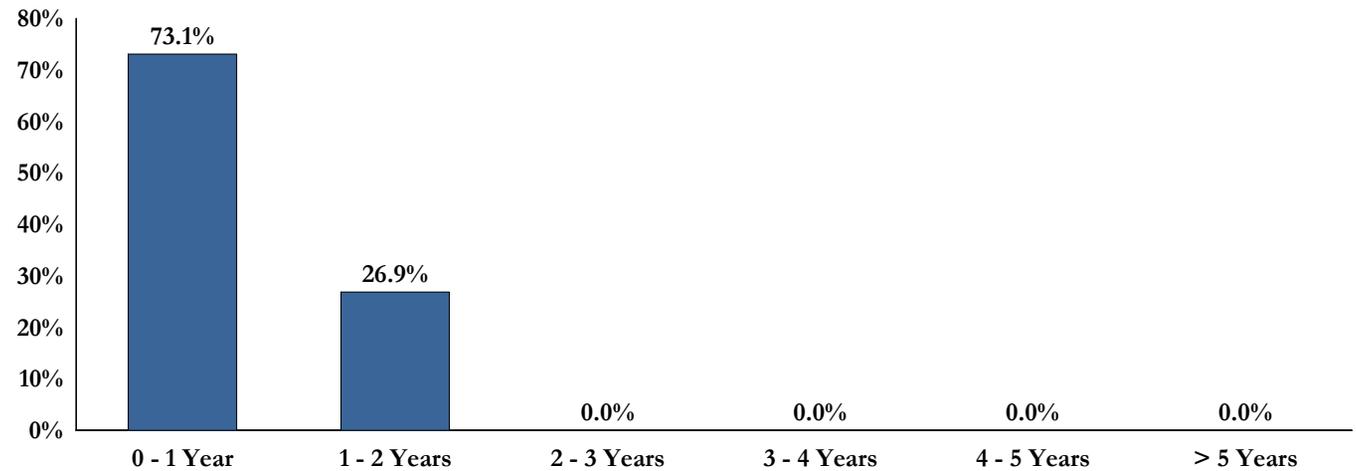
Credit Quality (S&P Ratings)



Sector Allocation



Maturity Distribution



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

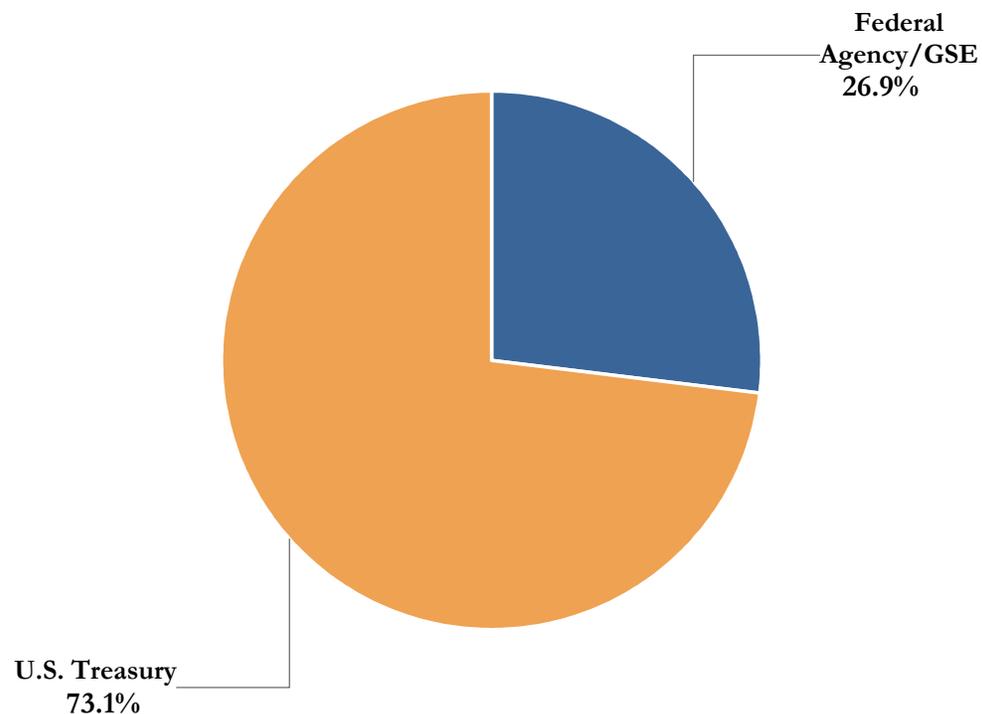
Portfolio Earnings
Quarter-Ended June 30, 2016

	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
Beginning Value (03/30/2016)	\$27,026,317.00	\$26,991,715.55
Net Purchases/Sales	(\$3,750,000.00)	(\$3,750,000.00)
Change in Value	\$94.25	(\$12,056.96)
Ending Value (06/30/2016)	\$23,276,411.25	\$23,229,658.59
Interest Earned	\$52,573.03	\$52,573.03
Portfolio Earnings	\$52,667.28	\$40,516.07

Sector Allocation

As of June 30, 2016

Sector	Market Value (\$)	% of Portfolio
U.S. Treasury	17,010,131	73.1%
Federal Agency/GSE	6,266,280	26.9%
Total	23,276,411	100.0%

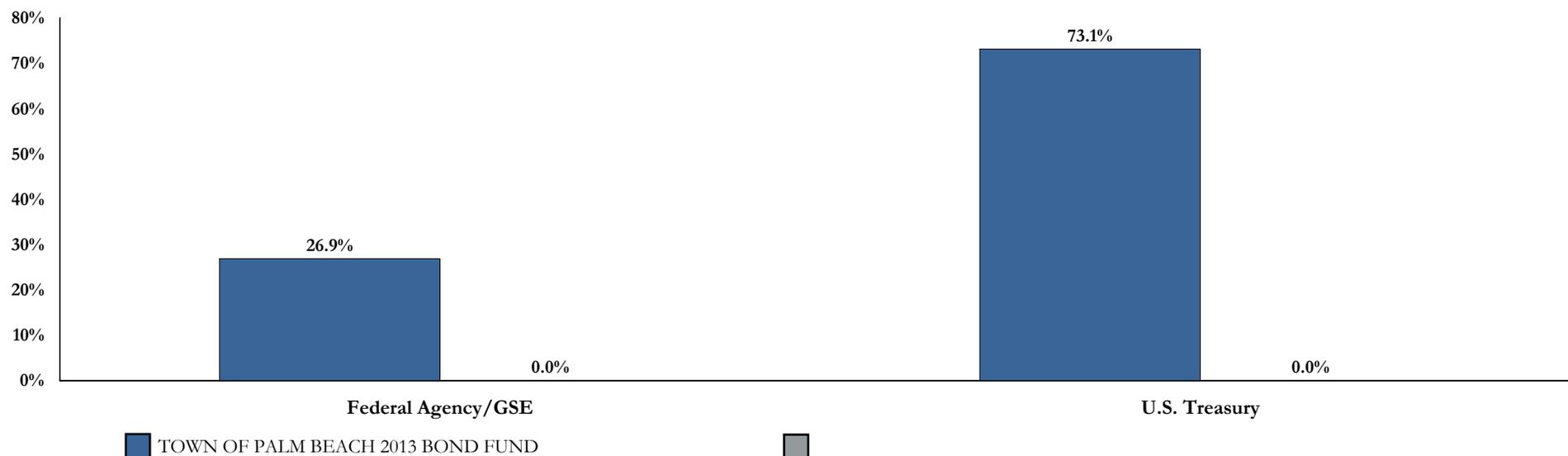


Detail may not add to total due to rounding.

Sector Allocation

As of June 30, 2016

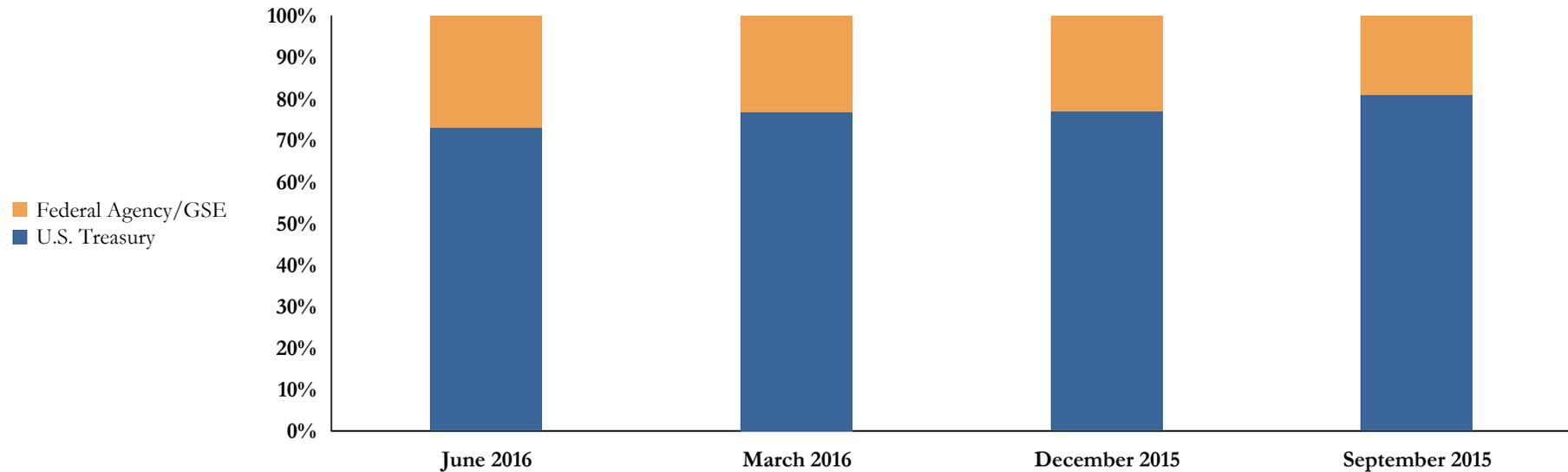
Sector	Market Value (\$)	% of Portfolio	% of Benchmark
U.S. Treasury	17,010,131	73.1%	-
Federal Agency/GSE	6,266,280	26.9%	-
Total	23,276,411	100.0%	0.0%



Detail may not add to total due to rounding.

Sector Allocation

Sector	June 30, 2016		March 31, 2016		December 31, 2015		September 30, 2015	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	17.0	73.1%	20.8	76.8%	20.8	76.9%	26.8	81.1%
Federal Agency/GSE	6.3	26.9%	6.3	23.2%	6.2	23.1%	6.3	18.9%
Total	\$23.3	100.0%	\$27.0	100.0%	\$27.0	100.0%	\$33.1	100.0%

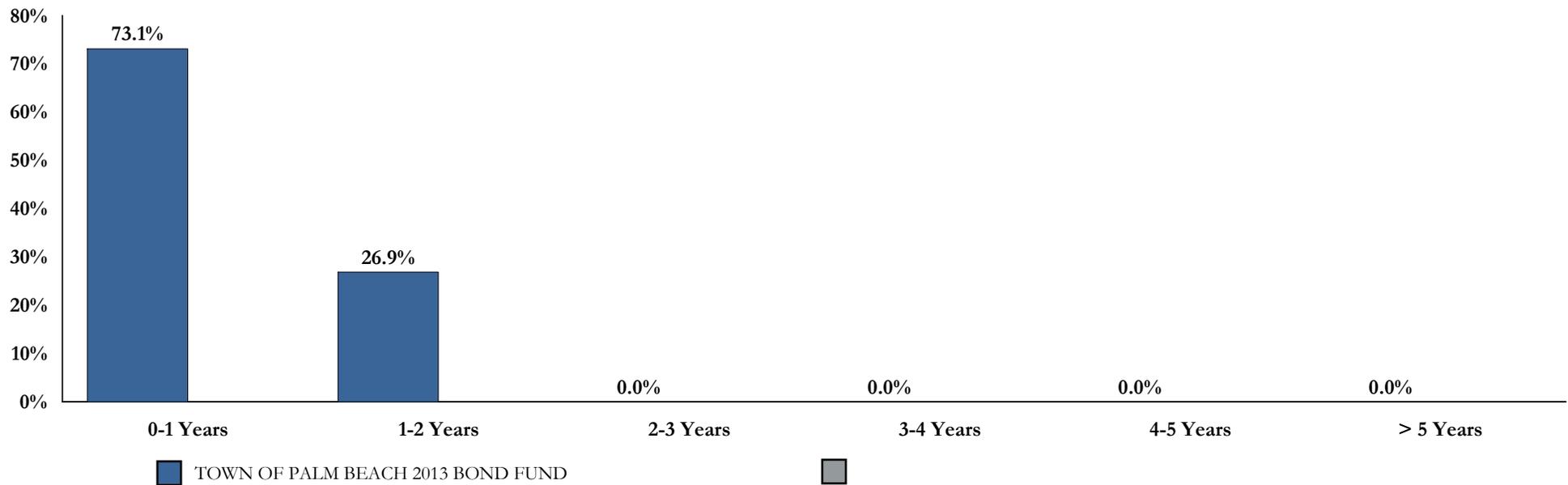


Detail may not add to total due to rounding.

Maturity Distribution

As of June 30, 2016

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
TOWN OF PALM BEACH 2013 BOND FUND	0.37%	0.52 yrs	73.1%	26.9%	0.0%	0.0%	0.0%	0.0%

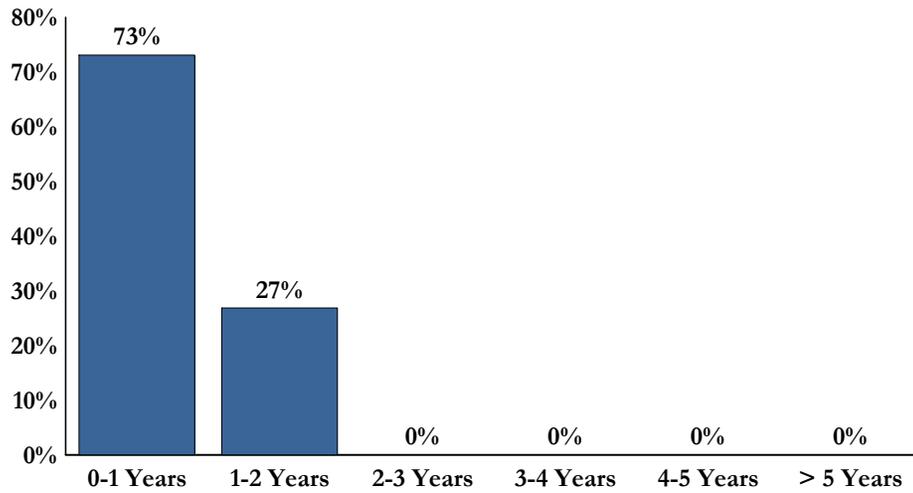


Duration Distribution

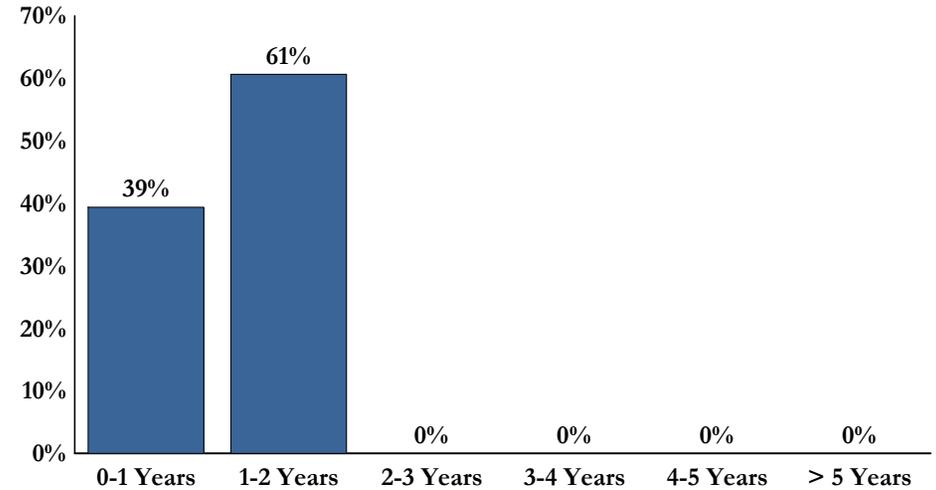
As of June 30, 2016

Portfolio / Benchmark	Effective Duration	0-1 YEARS	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
TOWN OF PALM BEACH 2013 BOND FUND	0.52	73.12%	26.88%	0.00%	0.00%	0.00%	0.00%

Distribution by Effective Duration



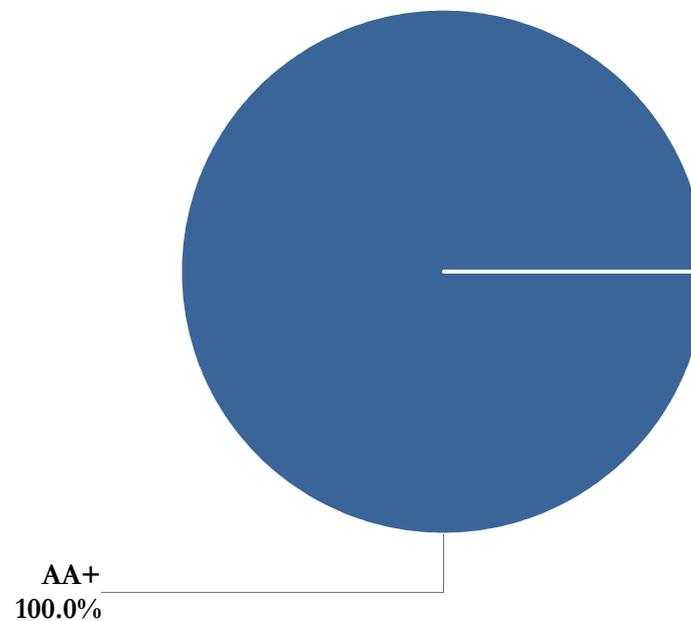
Contribution to Portfolio Duration



Credit Quality

As of June 30, 2016

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$23,276,411	100.0%
Totals	\$23,276,411	100.0%



Detail may not add to total due to rounding.

Issuer Distribution*As of June 30, 2016*

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	17,010,131	73.1%
FANNIE MAE	6,266,280	26.9%
Grand Total:	23,276,411	100.0%

Sector/Issuer Distribution

As of June 30, 2016

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Federal Agency/GSE			
FANNIE MAE	6,266,280	100.0%	26.9%
Sector Total	6,266,280	100.0%	26.9%
U.S. Treasury			
UNITED STATES TREASURY	17,010,131	100.0%	73.1%
Sector Total	17,010,131	100.0%	73.1%
Portfolio Total	23,276,411	100.0%	100.0%

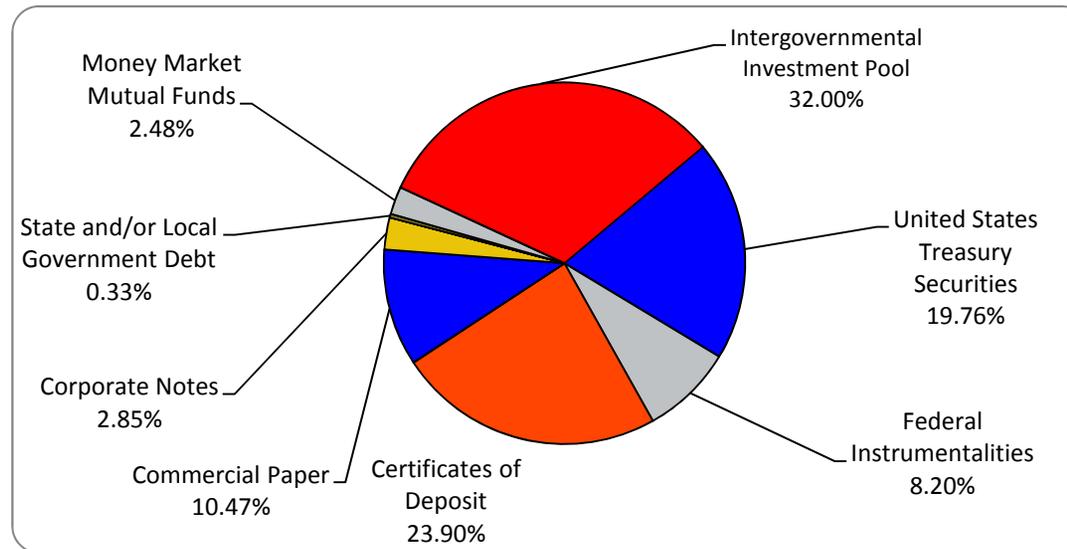
Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
4/1/16	4/1/16	0	MONEY0002	MONEY MARKET FUND			116.77		
4/20/16	4/20/16	3,750,000	3135G0ZB2	FNMA NOTES	0.75%	4/20/17	14,062.50		
4/26/16	4/26/16	2,500,000	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	10,937.50		
4/30/16	4/30/16	3,750,000	912828QF0	US TREASURY NOTES	2.00%	4/30/16	37,500.00		
4/30/16	4/30/16	2,500,000	912828RM4	US TREASURY NOTES	1.00%	10/31/16	12,500.00		
5/2/16	5/2/16	0	MONEY0002	MONEY MARKET FUND			9.38		
6/1/16	6/1/16	0	MONEY0002	MONEY MARKET FUND			267.89		
Total INTEREST		12,500,000					75,394.04		
MATURITY									
4/30/16	4/30/16	3,750,000	912828QF0	US TREASURY NOTES	2.00%	4/30/16	3,750,000.00		0.00
Total MATURITY		3,750,000					3,750,000.00		0.00

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	4/1/16	4/1/16	0.00	MONEY0002	MONEY MARKET FUND			116.77		
INTEREST	4/20/16	4/20/16	3,750,000.00	3135G0ZB2	FNMA NOTES	0.75%	4/20/17	14,062.50		
INTEREST	4/26/16	4/26/16	2,500,000.00	3135G0PQ0	FANNIE MAE GLOBAL NOTES	0.87%	10/26/17	10,937.50		
INTEREST	4/30/16	4/30/16	3,750,000.00	912828QF0	US TREASURY NOTES	2.00%	4/30/16	37,500.00		
INTEREST	4/30/16	4/30/16	2,500,000.00	912828RM4	US TREASURY NOTES	1.00%	10/31/16	12,500.00		
MATURITY	4/30/16	4/30/16	3,750,000.00	912828QF0	US TREASURY NOTES	2.00%	4/30/16	3,750,000.00		0.00
INTEREST	5/2/16	5/2/16	0.00	MONEY0002	MONEY MARKET FUND			9.38		
INTEREST	6/1/16	6/1/16	0.00	MONEY0002	MONEY MARKET FUND			267.89		
TOTALS								3,825,394.04		0.00

Tab III



Security Type ¹	Amortized Cost (Includes Interest)	Allocation Percentage	Notes	Permitted by Policy	In Compliance
Florida Prime (SBA)	-	0.00%		0%	YES
United States Treasury Securities	26,397,341.80	19.76%		100%	YES
United States Government Agency Securities	-	0.00%		50%	YES
Federal Instrumentalities	10,958,202.12	8.20%		80%	YES
Certificates of Deposit	31,927,298.00	23.90%	3	50%	YES
Repurchase Agreements	-	0.00%		50%	YES
Commercial Paper	13,984,264.85	10.47%		25%	YES
Corporate Notes	3,805,110.34	2.85%	2	25%	YES
Bankers' Acceptances	-	0.00%		35%	YES
State and/or Local Government Debt	446,363.13	0.33%		20%	YES
Money Market Mutual Funds	3,318,829.01	2.48%		50%	YES
Intergovernmental Investment Pool	42,746,581.87	32.00%	3,4	50%	YES
Total	133,583,991.12	100.00%			

Notes:

1. End of month trade-date amortized cost of portfolio holdings, including accrued interest.
2. Maximum allocation in A rated securities is 10%. At month end there was 1.78% rated A by any two Nationally Recognized Statistical Rating Organizations.
3. Balances managed by the Town.
4. Combined total for Florida Municipal Investment Trust and FEIT Fund cannot exceed 50%.

Individual Issuer Breakdown	Amortized Cost (Includes Interest)	Allocation Percentage	Notes	Permitted by Policy	In Compliance
Government National Mortgage Association (GNMA)	-	0.00%		25%	YES
Federal Farm Credit Bank (FFCB)	-	0.00%		30%	YES
Federal Home Loan Bank (FHLB)	469,953.78	0.35%		30%	YES
Federal National Mortgage Association (FNMA)	8,731,654.00	6.54%		30%	YES
Federal Home Loan Mortgage Corporation (FHLMC)	1,756,594.34	1.31%		30%	YES
Toyota Commercial Paper	2,498,000.00	1.87%		15%	YES
Bank of Tokyo Mitsubishi Commercial Paper	2,997,339.99	2.24%		15%	YES
UBS Finance Commercial Paper	2,997,308.34	2.24%		15%	YES
BNP Paribas Commercial Paper	2,994,219.99	2.24%		15%	YES
Rabobank NY Commercial Paper	2,497,396.53	1.87%		15%	YES
General Electric Corporate Notes	510,276.25	0.38%		5%	YES
American Honda Corporate Notes	140,679.15	0.11%		5%	YES
Boeing Company Corporate Notes	220,293.89	0.16%		5%	YES
Toyota Corporate Notes	459,785.37	0.34%		5%	YES
Wells Fargo & Company Corporate Notes	455,201.14	0.34%		5%	YES
John Deere Corporate Notes	215,476.04	0.16%		5%	YES
Bank of New York Mellon Corporate Notes	457,421.05	0.34%		5%	YES
JP Morgan Corporate Notes	352,349.45	0.26%		5%	YES
Goldman Sachs Corporate Notes	280,777.53	0.21%		5%	YES
Cisco Systems Corporate Notes	401,275.97	0.30%		5%	YES
New York University Corporate Notes	60,530.10	0.05%		5%	YES
American Express Credit Corporate Notes	110,970.46	0.08%		5%	YES
Branch Banking & Trust Corporate Notes	90,145.46	0.07%		5%	YES
State Street Corp Notes	49,928.48	0.04%		5%	YES
New York City, New York Taxable G.O Bonds	446,363.13	0.33%		5%	YES
Florida Education Investment Trust Fund	6,024,931.87	4.51%	3	50%	YES
Money Market Mutual Funds	3,318,829.01	2.48%		25%	YES
FMLvT 1-3	25,044,729.00	18.75%	3	50%	YES
FMLvT Intermediate	11,676,921.00	8.74%	3	50%	YES
Bank United CD's	15,079,716.08	11.29%	3	25%	YES
TD Bank CD's	10,797,131.69	8.08%	3	25%	YES

Notes:

1. End of month trade-date amortized cost of portfolio holdings, including accrued interest.
2. Maximum allocation in A rated securities is 10%. At month end there was 1.78% rated A by S&P and Moody's.
3. Managed by the Town.
4. Combined total for Florida Municipal Investment Trust cannot exceed 50%.

Important Disclosures

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

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

Glossary

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

Glossary

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