TOWN OF PALM BEACH

Office of the Town Clerk

REPORT OF THE INVESTMENT ADVISORY COMMITTEE MEETING HELD ON FRIDAY, NOVEMBER 21, 2014

I. CALL TO ORDER AND ROLL CALL

The Investment Advisory Committee meeting was called to order on Friday, November 21, 2014, at 2:04 p.m., in the Town Council Chambers. On roll call, all members were found to be present, with the exception of Committee Member McCluskey.

II. PLEDGE OF ALLEGIANCE

Chairperson Andrews led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

The Agenda was approved as printed.

IV. COMMUNICATION FROM CITIZENS – None

V. APPROVAL OF MINUTES

a. MINUTES FROM AUGUST 29, 2014 MEETING

By consensus of the Committee, the August 29, 2014, Meeting Minutes were approved.

(Clerk's Note: Item VII., PFM Asset Management - Quarterly Performance Update was taken out of order and heard next.)

VI. PRIME BUCHHOLZ - QUARTERLY PERFORMANCE UPDATE [Sean Higman, Prime Buchholz]

Sean Higman, Prime Buchholz, provided an overview of the Town's quarterly performance.

a. PIMCO Discussion

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Mr. Higman spoke regarding replacement of the PIMCO Fund Manager due to organizational issues and lowered returns. He recommended JP Morgan Core Bond Fund as the most balanced and consistent of the Fund Managers.

Motion made by Committee Member Snyder, and seconded by Committee Member Storkerson, to replace PIMCO with JP Morgan Core Bond Fund Manager. On call for a vote, the motion carried 4-0, with Committee Member McCluskey absent.

Mr. Higman spoke regarding the PIMCO Commodities Plus Exposure Fund and recommended Nuveen Diversified Commodities Fund as a replacement.

Chairperson Andrews recused himself, and provided a Memorandum of Voting Conflict Form 8b to the Committee Secretary.

(Clerk's Note: As he was recused, Chairperson Andrews passed the gavel to Vice Chairperson Panfel.)

Motion made by Committee Member Storkerson, and seconded by Committee Member Snyder, to replace PIMCO Commodities Plus Fund with Nuveen Diversified Commodity Fund. On call for a vote, the motion carried 3-0, with Chairperson Andrews recused and Committee Member McCluskey absent.

VII PFM ASSET MANAGEMENT -QUARTERLY PERFORMANCE UPDATE

[Scott Stitcher, PFM Asset Management]

Scott Stitcher, PFM Asset Management, provided an overview of the Town's quarterly performance.

a. Peer Review Report

Scott Stitcher, PFM Asset Management, provided an overview of the Peer Review Report.

VIII. FLORIDA LEAGUE OF CITIES (FMIvT) QUARTERLY PERFORMANCE REPORT

Jim Womack, Florida League of Cities, provided an overview of the Town's quarterly performance.

Discussion ensued regarding Mr. Womack's data reorganization of the Florida League of Cities' Benchmark Universe Comparisons, in order to show their high quality, and successful benchmarks.

IX. OCTOBER INVESTMENT REPORT

Director of Finance Struder provided an overview of Staff's proposal to transfer funds from short term to longer-term investments.

Discussion ensued regarding interest rates, laddering CD's for a blended rate, and protecting the principal.

Motion made by Vice Chair Panfel, and seconded by Chair Andrews, to approve the transfer of $7.7 million from the Town's cash flow, to certificates of deposit to be laddered from six months to two years. On call for a vote, the motion carried 4-0, with Committee Member McCluskey absent.

Assistant Director of Finance Somers provided an overview of the October 2014 Monthly Investment Report.

X. PROPOSED MEETING SCHEDULE FOR 2015

a. NEXT MEETING: FEBRUARY 20, 2015 AT 2:00PM

Director of Finance Struder provided the proposed meeting schedule for 2015, and stated that she would send out meeting invitations.

XI. ANY OTHER MATTERS – None

XII. ADJOURNMENT

There being no further business, the November 21, 2014, Investment Advisory Committee meeting was adjourned at 4:38 p.m.

APPROVED:

Michael Andrews

Dr. Michael F. Andrews
Chairperson

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Andrews, Michael F.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Investment Advisory Com.
MAILING ADDRESS 255 Mockingbird Trail	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: ☑ CITY ☐ COUNTY ☐ OTHER LOCAL AGENCY
CITY Palm Beach COUNTY	~~NAME OF~~ POLITICAL SUBDIVISION: Town of Palm Beach
DATE ON WHICH VOTE OCCURRED 11-21-14	MY POSITION IS: ☐ ELECTIVE ☑ APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also MUST ABSTAIN from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * * * * * * * * * * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * * * * * * * * * * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, MICHAEL ANDREWS, hereby disclose that on NOVEMBER 21, 20 14:

(a) A measure came or will come before my agency which (check one or more)

___ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, ______;

___ inured to the special gain or loss of my relative, ______;

___ inured to the special gain or loss of ______, by whom I am retained; or

✓ inured to the special gain or loss of NUVEEN INVESTMENTS, INC, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

COMMITTEE WAS VOTING ON A MOTION TO HIRE A MANAGER FOR A PORTION OF THE TOWN OF PALM BEACH'S EPOB TRUST. ONE OF THE CANADATES IS A SUBSIDIARY OF MY EMPLOYER, NUVEEN INVESTMENTS.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

11-25-14
Date Filed

[signature]
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.