MINUTES OF THE INVESTMENT ADVISORY COMMITTEE
July 19, 2005

I. CALL TO ORDER AND ROLL CALL

Chair Andrews called the Investment Advisory Committee Meeting of July 19, 2005 to order at 2:00 p.m. In attendance were:

Investment Advisory Committee	**Others**
Chair Michael F. Andrews	Jane Struder, Finance Director
Albert D. Hutzler, III	Betty Cotton, Office Assistant
Bernard R. Panfel	

Present via Conference Call
Stephen L. Brown
Edward L. Hennessy, Jr.

II. PLEDGE OF ALLEGIANCE

Chair Andrews led the pledge of allegiance.

III. APPROVAL OF AGENDA

Mr. Panfel made a motion to approve the agenda. Mr. Brown seconded. Motion passed unanimously.

IV. COMMUNICATIONS FROM CITIZENS (3 MINUTE LIMIT PLEASE)

No citizens attended

V. APPROVAL OF MINUTES FROM THE APRIL 8, 2005 MEETING

Mr. Hennessy made a motion for approval of the minutes. Mr. Hutzler seconded. Motion passed unanimously.

VI. MONTHLY INVESTMENT REPORT

Jane Struder reported there are some blanks in the monthly investment report because the net of fee returns has not been received. Gross of fee returns for the FMIvT 1 – 3 year investments was 1.75 with a yield of 4.08 and the Intermediate had a yield of 4.25 with a net of fees return of 2.78.

Currently, the SBA has a return of 3.18. To date, the Town's fiscal year to date earnings are $1,929,301 and The Florida League of Cities investments are ahead of the SBA with a positive return of $137,315. She asked if the committee had any questions.

Chair Andrews asked what period of time the $137,315 was for?

Ms. Struder said since inception.

Chair Andrews asked for comments from the committee. He said this is the same as the last meeting, somewhere around a $130,000 so nothing has really changed.

Ms. Struder said it was $135,873, so a couple of thousand positive return over the SBA.

VII. CURRENT MARKET CONDITIONS

Chair Andrews stated he thinks the issue is whether everyone on the committee still wants to reaffirm the basic investment strategy agreed upon at the last meeting. He asked for comments.

Mr. Brown said he basically thinks that the steady as she goes is still appropriate. There are still increases in the short term rates by the Feds.

Chair Andrews thanked Mr. Brown for his comments and asked if there are any other comments?

Chair Andrews asked Ms. Struder if all the reallocating of funds has been completed?

Ms. Struder said right after the last meeting, almost $10,000,000 was moved back into the SBA. The percentages are a little below the 75% but that's just due to cash flow during this time period of the year.

Chair Andrews asked are there any other comments before moving on?

VIII. LETTER FROM SKIP RANDOLPH REGARDING MR. HUTZLER'S CONFLICT OF INTEREST POLICY

Chair Andrews asked if there is anything the Committee has to vote on or does the committee just recognize that the letter was received?

Mr. Hutzler volunteered to leave if necessary.

Ms. Struder said maybe the committee should discuss why this came up.

Mr. Hutzler said the reason this really came up is in today's regulatory atmosphere, the firms are all examining what extra outside things that he is doing and even though this is a volunteer situation for him, he has certain conflict of interest that he had to address and this is basically what brought this up at the time of disclosure of the fact that he was on this committee. He is happy to say that he can continue to serve but it's up to the committee how they wish that he serves. He presented this to Ms. Struder and felt that it should be up to the Committee but he's certainly happy to serve the Town which he feels an obligation to. If there is anyone that feels any other way, that's fine.

Chair Andrews asked for comments on Mr. Hutzler's statements?

Mr. Hennessy no, he liked the letter that the Chairman sent to him.

Mr. Hutzler said he appreciates the letter very much.

Mr. Panfel said he thought it was appropriate.

Chair Andrews thanked them. He said hearing no negative comments, he would ask Mr. Hutzler to continue on in his position on the Committee. If at any time he does feel there is a conflict of interest, he will excuse himself as would any of the other members of the Committee if the situation arises that they deem to be a possible conflict of interest or ethics.

IX. NEXT MEETING DATE

Chair Andrews asked Mr. Brown and Mr. Hennessy when they will be back in the area.

They both replied early November.

Chair Andrews said a meeting may be necessary based upon unusual or unforeseen circumstances. He thinks everyone would agree. Let's aim for the beginning of November. He asked Ms. Struder if she wants to set the dates now, or if she will email them with possible dates.

Ms. Struder said if possible in the next week or so give her calendars for November anywhere from the 1st through the 23rd before Thanksgiving then she could pick a date that would not conflict with any other Town meetings.

Chair Andrews asked Ms. Struder to refresh the Committee on how many meetings are required as a Committee during the year or the fiscal year?

Ms. Struder said a minimum of four.

Chair Andrews asked per year or Town fiscal year?

Ms. Struder said she thinks it is per year. The July 19th meeting is the fourth meeting of the year.

Mr. Panfel said he will be back in Palm Beach the first week of October.

Mr. Hutzler said he will be back around the 15th of October.

Chair Andrews said it looks like everyone will be here sometime in November so email the dates to Ms. Struder on availability for the first three weeks of November. Ms. Struder will send that information out and everyone can confirm it by email.

X. ANY OTHER MATTERS

Chair Andrews asked if there are any other matters to bring before the committee?

XI. ADJOURNMENT

Mr. Hennessy moved to adjourn. Mr. Brown seconded. Motion passed unanimously.