MINUTES OF THE INVESTMENT ADVISORY COMMITTEE MEETING
HELD ON MARCH 12, 2008

I. CALL TO ORDER AND ROLL CALL

The Investment Advisory Committee Meeting was called to order on Wednesday, March 13, 2008, at 10:00 a.m., in the Town Council Chambers. Those present at the meeting were:

Chair Michael F. Andrews
Vice Chair Edward L. Hennessy, Jr.
Stephen L. Brown
William J. Mikus - Absent
Bernard R. Panfel
Jane Struder - Finance Director
Cheryl Somers - Assistant Finance Director
Denise Carmona - Recording Secretary

Karen Temme - Risk Manager
Pam Nelson - Wells Fargo Insurance Services, Inc.

II. PLEDGE OF ALLEGIANCE

Chair Andrews led the Pledge of Allegiance.

III. APPROVAL OF AGENDA

Motion to approve the Agenda was made by Mr. Brown, seconded by Vice Chair Hennessy, and carried unanimously.

IV. COMMUNICATION FROM CITIZENS - 3 MINUTE LIMIT PLEASE

There were none.

V. APPROVAL OF MINUTES FROM THE FEBRUARY 13, 2008 MEETING

The February 13, 2008, Minutes were approved as printed.

VI. FIDUCIARY LIABILITY INSURANCE QUOTATION

Risk Manager Karen Temme provided a brief overview of the Town's Fiduciary Liability Insurance policy with Federal Insurance Company.

Pam Nelson of Wells Fargo Insurance Services, addressed the options of multiple term policies. After discussion, the Committee indicated a preference for an option of a lock-in at the same premium for two years. Ms. Nelson noted that she would check with the underwriters and notify Ms. Temme as to whether or not it could be done.

Motion made by Mr. Hennessy, seconded by Mr. Brown, to approve a two-year, locked-in premium with Federal Insurance Company's Fiduciary Liability Insurance policy. The motion carried unanimously.

VII. MONTHLY INVESTMENT REPORT FOR JANUARY 2008

Assistant Finance Director Somers provided an update of the Monthly Investment Report for January 2008, and provided copies of same.

Responding to Mr. Brown, Ms. Somers noted that there was approximately $72 million, which was 69%, in the Wachovia Evergreen fund. The remaining amount was in the Florida League of Cities and the Treasury bill.

VIII. VANGUARD INVESTMENT UPDATE

Finance Director Struder commented that the Vanguard Admiral Treasury Fund rejected the Town's money, due to fund asset capacity constraints. Ms. Struder requested direction regarding the investment of the funds. After discussion, the Committee decided not to make any investment changes.

IX. INVESTMENT POLICY REVIEW

Chair Anderson noted that there had not been any modifications to the Investment Policy since 2003. Ms. Struder commented that the Performance Benchmark could be modified.

After discussion, the Committee agreed to replace the last sentence of the Investment Policy, Item VIII, Performance Benchmark.

Motion made by Mr. Brown, seconded by Vice Chair Hennessy to approve modification of the last sentence of the Investment Policy, Item VIII, Performance Benchmark to read "The performance of the securities in the portfolio, will be measured against at least one reputable industry index, that approximates the stated objective returns of the investments." The motion carried unanimously.

Ms. Struder agreed to provide a letter from the auditor or a similar document of assurance that the Investment Advisory Committee had been following the policies appropriately.

X. BENCHMARK FOR SURPLUS FUNDS

The Committee agreed that, in order to determine benchmarks for surplus funds, they would review against the investments' own benchmarks.

XI. NEXT MEETING DATE

Ms. Struder indicated that there was a minimum of four meetings required each fiscal year.

Chair Anderson noted that there would not be a need for any more meetings. The Committee members would keep in touch with Ms. Struder on a regular basis, in the event a meeting was necessary.

XII. ANY OTHER MATTERS

Ms. Struder indicated that she handed out a memorandum regarding Fannie Mae /Freddie Mac news.

The Committee discussed the report about the $200 billion that was handed out for mortgage securities.

Ms. Struder indicated that she would forward quarterly updates that she receives from the Florida League of Cities Investment meetings and the Economic Outlook she receives from Wachovia monthly.

Responding to Mr. Brown, Ms. Struder noted that Mr. Panful's and Mr. Mikus's term of service is up in May; Chair Anderson, Mr. Brown, and Vice Chair Hennessy terms are up the following May.

XIII. ADJOURNMENT

There being no further business to discuss, the Investment Advisory Committee meeting was adjourned at 10:46 a.m.