



AGENDA REPORT
May 8, 2018

SUBJECT:

Approval of Advertisement for an Ordinance Amending Ordinance 2016-14, List of Permitted Investments

FISCAL IMPACT:

There is no fiscal impact associated with this action other than the cost of advertisement.

DEPT/OFFICE:

Agenda Coordinator

REQUESTED ACTION:

It is requested that the Board of County Commissioners review and approve advertisement of a public hearing for proposed changes to Ordinance 2016-14 adding Multi-Asset Class Investments to the list of permitted investments for the County Investment program.

SUMMARY EXPLANATION and BACKGROUND:

County Commissioners in the past have inquired about other investment alternatives such as Equities. The County's Investment Committee has met and specifically discussed ways of improving the County's Investments. After several meetings, and upon the recommendation of the County's Investment Advisor (PFM), the Investment Committee has approved expanding the list of Permitted Investments to include Multi-Asset Class Investments which include such items as Domestic and International Equities, Emerging Market Debt, Real Estate Investment Trusts ("REITs"), Treasury Inflation Protected Securities ("TIPS"), Exchange Traded Funds ("ETFs") and Mutual Funds of Registered Investment Companies. Florida Statute 218.415(16)(h) requires the Board to amend County Ordinance 16-14 and approve a new Multi-Asset Class Portfolio Investment Policy Statement to provide authorization for this additional investment option. This does not replace the County's Investment Policy, BCC 49 which governs the Board's short term and long term investments.

The proposed Multi-Asset Class Portfolio Investment Policy (see below) would limit Multi Asset Class Investment (MACM) portfolio to between 5% and 20% of the County's long term portfolio. The funds utilized in the MACM portfolio are not expected to be used within a 5-10 year time horizon. These funds will be used to complement the long term portfolio by diversifying in securities which seek to maintain purchasing power net of inflation and over a time horizon over five years.

The short term portfolio funds which are expected to be used within each current year will not be invested in Multi Asset Class Investments.

ATTACHMENTS:

Description

- **Amended Ordinance**
- **copy of ad**



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

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Tammy.Rowe@brevardclerk.us

May 9, 2018

MEMORANDUM

TO: Frank Abbate, County Manager

RE: Item II.D.3., Permission to Advertise for an Ordinance Amending Ordinance No. 16-14,
List of Permitted Investments

The Board of County Commissioners, in regular session on May 8, 2018, reviewed and granted permission to advertise a public hearing for proposed changes to Ordinance 16-14, adding Multi-Asset Class Investments to the list of permitted investments for the County Investment Program.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

cc: Finance
Budget

ORDINANCE NO. 18- _____

AN ORDINANCE OF BREVARD COUNTY, FLORIDA; AMENDING ORDINANCE 16-14 WHICH PROVIDES A LIST OF PERMITTED INVESTMENTS, PURSUANT TO THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES; PROVIDING FOR INCLUSION OF MULTI-ASSET CLASS PORTFOLIO INVESTMENTS IN THE LIST OF PERMITTED INVESTMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; PROVIDING FOR INCLUSION IN CODE AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Brevard County, Florida is authorized to adopt a list of permitted investments by ordinance pursuant to Section 218.415(16)(h), Florida Statutes.

WHEREAS, the Board of County Commissioners previously established an Investment Committee comprised of volunteers with financial or investment expertise;

WHEREAS, the County has retained a financial advisor (currently PFM Asset Management LLC) for the County who provides guidance to the Investment Committee and the Board of County Commissioners;

WHEREAS, the Investment Committee, with the concurrence of the financial advisor, recommends that the County authorize county funds to be invested in Multi-Asset Class Portfolio Investments and added to the list of permitted investments.

NOW, THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Brevard County, Florida:

SECTION 1. PERMITTED INVESTMENTS. The Board of County Commissioners hereby adopts the list of permitted investments as follows:

- A. The Florida Local Government Surplus Funds Trust Fund ("SBA")
- B. United States Government Securities
- C. United States Government Agencies
- D. Federal Instrumentalities
- E. Interest Bearing Time Deposit or Saving Accounts
- F. Repurchase Agreements
- G. Commercial Paper
- H. Corporate Notes
- I. Bankers' Acceptances
- J. State and/or Local Government Taxable and/or Tax-Exempt Debt
- K. Registered Investment Companies (Money Market Mutual Funds)
- L. Intergovernmental Investment Pool

- M. Inter-Departmental Loans
- N. Supranationals
- O. Asset-Backed Securities
- P. Multi-Asset Class Portfolio Investments, including:
 - a) US Domestic Equities
 - b) Non-US International Equities
 - c) US Investment Grade Corporate Bonds
 - d) US Below-Investment Grade Bonds
 - e) Non-US and Emerging Market Debt
 - f) Real Estate Investment Trusts ("REITs")
 - g) Treasury Inflation Protected Securities ("TIPS")
 - h) Commodity mutual funds or Exchange Traded Funds ("ETFs")
- Q. Registered Investment Companies (Mutual Funds) that invest in any of the permitted investments shown

SECTION 2. SEVERABILITY. It is hereby declared to be the intent of the Board of County Commissioners of Brevard County that if any section, subsection, clause, phrase or provision of the ordinance is held invalid or unconstitutional, such invalidity or unconstitutionality shall not be construed as to render invalid or unconstitutional the remaining provisions of the ordinance.

SECTION 3. REPEAL. All ordinances or parts of ordinances, in conflict with this ordinance are to the extent of such conflict hereby repealed.

SECTION 4. INCLUSION IN CODE. It is the intention of the Board of County Commissioners of Brevard County, Florida, and it is hereby provided that the provision of this ordinance shall become and be made a part of the Code of Ordinances of Brevard County, Florida by the Municipal Code Corporation, that the sections of the ordinance may be renumbered or re-lettered to accomplish such intention; and that the word "ordinance" may be changed to "section", "article" or other appropriate designation.

SECTION 5. EFFECTIVE DATE. A certified copy of this ordinance shall be filed with the Department of State by the Clerk within ten (10) days after enactment by the Board, and shall take effect upon receipt of official acknowledgment of filing as provided in Section 125.66(2), Florida Statutes.

DULY ADOPTED this 22nd day of May, 2018.

ATTEST:

**BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA**

By: Scott Ellis, Clerk

By: Rita Pritchett, CHAIR

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Brevard County, Florida, on May 22, 2018 at 9:00 a.m., in the Commission Room at 2725 Judge Fran Jamieson Way, Building C, First Floor, Viera, FL, 32940, will hold a public hearing on the following ordinance:

ORDINANCE NO.: 2018-_____

AN ORDINANCE OF BREVARD COUNTY, FLORIDA; AMENDING ORDINANCE 16-14 WHICH PROVIDES A LIST OF PERMITTED INVESTMENTS, PURSUANT TO THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES; PROVIDING FOR INCLUSION OF MULTI-ASSET CLASS PORTFOLIO INVESTMENTS IN THE LIST OF PERMITTED INVESTMENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL; PROVIDING FOR INCLUSION IN CODE AND PROVIDING AN EFFECTIVE DATE.

Interested parties may appear at the May 22, 2018 meeting and be heard with respect to the proposed ordinance.

All persons for or against said ordinance can be heard at said time and place. If a person decides to appeal any decision made by the Board with respect to such hearing or meeting, he will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.

The needs of hearing or visually impaired persons shall be met if the department sponsoring the meeting hearing is contacted at least 48 hours prior to the public meeting hearing by any person wishing assistance. The sponsoring department is County Finance, 321-637-2002.

A copy of the ordinance may be inspected at the following locations:

Brevard County Government Center, Building C
Central Brevard Library
West Melbourne Public Library
Melbourne Library
North Brevard Library
Clerk to the Board

A copy of the ordinance may also be viewed online at
<http://www.brevardcounty.us/CountyManager/DraftOrdinances>

By order of the Board of County Commissioners of Brevard County, Florida