



Staff Report

TO: Finance and Audit Committee Members
FROM: Jennifer Ustation, Senior Accountant
DATE: February 8, 2021
SUBJECT: Recommendation of Public Trust for Investment Advisor Services

Background and Analysis:

On September 15, 2020, the City Council took action to adopt a revised Investment Policy. At the time of adopting the policy, the topic of investment advisor selection was discussed. City staff believe that engaging an investment advisor would provide many benefits to the City's investment portfolio by providing professional advice on investment selection and assisting the City in the goals of the investment policy which are safety of principal, liquidity, and obtaining a market rate of return.

On November 9, 2020, the Finance and Audit Committee formed a selection sub-committee to develop and issue a request for proposals (RFP) for Investment Advisor Services and to select a firm from the RFP submissions to bring back to the Committee for recommendation to the City Council. The RFP was issued on November 30, 2020, and submittals were due by January 6, 2021. The City received eight (8) proposals for Investment Advisor and Portfolio Management Services. The committee narrowed down the proposals to three (3) firms to interview based on selection process guidelines within the RFP which were:

1. Ability to meet service requirement, understanding the needs and requirements of the City, scope and services offered.
2. Experience, qualifications and knowledge of key personnel; references for similar work completed with the last three years.
3. Proposed pricing.
4. Completeness of responses to the Request for Proposal.

Two interviews took place between January 20-21, 2021, and the third was on January 26, 2021. All interviewees were qualified candidates with similar strategies and the committee independently scored and ranked the firms based on presentation, experience with California local governments and fee structure. One firm was selected with a unanimous ranking of highest score.

The selection sub-committee would like to recommend the unanimous choice of Public Trust to the Committee for consideration to recommend a contract for City Council consideration of Investment Advisor and Portfolio Management Services.

Recommended Action:

Consider the selection of Public Trust as Investment Advisor and Portfolio Management Services and to recommend contract approval by the City Council.

Attachments:

- A. Issued RFP for Investment Advisor and Portfolio Management Services
- B. Public Trust Proposal