



Staff Report

TO: Finance and Audit Committee Members
FROM: Jeff Mohlenkamp, Finance Director
Jennifer Ustation, Senior Accountant
DATE November 9, 2020
SUBJECT: Committee for the Selection of Investment Advisor Services

Background and Analysis:

On September 15, 2020, City Council took action to adopt a revised Investment Policy. The policy approved by the City Council provides for securing one or more investment advisors to assist the City with the implementation of its investment strategy. It is also critical to ensure all investments are in compliance with the adopted policy.

City staff believes 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.

As discussed at both the Finance Committee and City Council meetings, City staff intends to issue a Request for Proposal (RFP) to secure services of an investment advisor(s). The next step is to form an RFP committee to complete the next steps in this selection process. The committee will follow Government Finance Officers Association (GFOA) best practices in investment advisor selection and in the RFP process.

The proposed steps in securing investment advisor services are as follows:

1. Identification of RFP Committee members (this is the request at tonight's meeting),
2. Committee to review RFP parameters,
3. City Staff to issue the RFP and receive submittals,
4. RFP Committee to review the submittals and identify one or more investment advisors for consideration by the Finance Committee, and

5. Finance Committee consider recommendations by the RFP Committee and make recommendation to the City Council.

Recommended Action:

Staff is requesting the Finance Committee identify two or three members to join City staff in an RFP Committee to begin the process of engaging investment advisor services.

Attachments:

- A. GFOA Best Practices with Selecting an Investment Advisor