



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#20-0959

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: December 1, 2020

TITLE: Motion Approving Agreement for Investment Management Services – PFM
Asset Management LLC - \$850,000 – **(Commission Districts 1, 2, 3 and
4)**

Recommendation

Staff recommends the City Commission approve an agreement, in substantially the form attached, for the purchase of investment management services via City of Pembroke Pines, Florida, Agreement #FN-18-02, with PFM Asset Management LLC (“PFM”), in the estimated amount of \$850,000, including two additional five-year renewal terms contingent on renewal of the City of Pembroke Pines agreement.

Background

The Finance Department employs a dual approach for managing the City’s portfolio with a portion of the portfolio being managed internally and a portion being managed through a contracted management firm. PFM Asset Management LLC’s (“PFM”) professionals have served clients in Florida since 1987; and is the incumbent firm with the City of Fort Lauderdale. Currently, PFM provides investment management services for the City’s long-term operating funds, 2020A General Obligation Bonds (Parks), and 2020B General Obligation Bonds (Police and Public Safety) funds. Additionally, they provide investment advisory services for OPEB Trust Funds. The investment management services required include the discretionary management of City portfolios in accordance with established investment policies or bond covenants. Additionally, the investment advisory services needed include the provision of advice regarding the structure of designated portfolios.

In 2019, The City of Pembroke Pines issued bid FN-18-02 and seven proposals were received. An award was made to PFM from described bid process. The proposed agreement is coterminous with the City of Pembroke Pines agreement and extends in the event the City of Pembroke Pines agreement is extended.

Pursuant to Section 2-181(f)(5)b, Code of Ordinances of the City of Fort Lauderdale, Florida, the City may piggyback a contract entered into by another governmental or public entity and a provider of supplies or services required by the City, if the chief procurement officer determines that it is practicable and advantageous for the City to employ this

method of procurement. The chief procurement officer has determined that it would be practicable and advantageous for the City to use described method of procurement for this agreement. In addition, staff was able to negotiate the rate providing an additional savings of 16%.

Resource Impact

Funds for proposed purchase in the amount of \$179,640 are available in the FY 2021 Operating Budget in the account(s) listed below:

<i>Funds available as of November 23, 2020</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PURCHASE AMOUNT
001-FIN040101-3116	Treasury Accounts Receivables	Services/Materials/ Invest Mgmt Serv	\$448,559	\$383,503	\$168,390
636-GEN010202-3116	OPEB Administration	Services/Materials/ Invest Mgmt Serv	\$23,500	\$23,500	\$10,125
637-GEN010203-3116	Post-Retirement Pay Steps Administration	Services/Materials/ Invest Mgmt Serv	\$5,000	\$5,000	\$1,125
PURCHASE TOTAL ►					\$179,640

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Internal Support Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term financial planning.

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United.

Attachment

- Exhibit 1 – Piggyback Agreement
- Exhibit 2 – Investment Policy, City of Fort Lauderdale, Florida
- Exhibit 3 – City of Pembroke Pines Agreement

Prepared by: Teresa Wright, Procurement Specialist, Finance
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Department Director: Susan Grant, Finance