



**Hallandale Beach**  
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400 South Federal Hwy  
Hallandale Beach, FL 33009

## City of Hallandale Beach City Commission Agenda Cover Memo

<b>Meeting Date:</b>	October 11, 2019		<b>Item Type:</b> <small>(Enter X in box)</small>	<b>Resolution</b> <div style="text-align: center;"><b>X</b></div>	<b>Ordinance</b>	<b>Other</b>		
<b>Fiscal Impact:</b> <small>(Enter X in box)</small>	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> <small>(Enter X in box)</small>	<b>1<sup>st</sup> Reading</b> <div style="text-align: center;"><b>N/A</b></div>		<b>2<sup>nd</sup> Reading</b> <div style="text-align: center;"><b>N/A</b></div>		
	<b>X</b>			<b>Public Hearing:</b> <small>(Enter X in box)</small>	<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
					<b>X</b>		<b>X</b>	
<b>Funding Source:</b>	<b>Various Accounts</b>		<b>Advertising Requirement:</b> <small>(Enter X in box)</small>	<b>Yes</b>		<b>No</b>		
						<b>X</b>		
<b>Account Balance:</b>	<b>\$80,000</b>		<b>Quasi Judicial:</b> <small>(Enter X in box)</small>	<b>Yes</b>		<b>No</b>		
						<b>X</b>		
<b>Project Number :</b>	<b>N/A</b>		<b>RFP/RFQ/Bid Number:</b>	<b>RFP# FY2014-2015-015 Investment Advisory Services</b>				
<b>Contract/P.O. Required:</b> <small>(Enter X in box)</small>	<b>Yes</b>	<b>No</b>	<b>Strategic Plan Priority Area:</b> <small>(Enter X in box)</small>  <div style="display: flex; justify-content: space-between;"> <div>Safety</div> <input type="checkbox"/> </div> <div style="display: flex; justify-content: space-between;"> <div>Quality</div> <input checked="" type="checkbox"/> </div> <div style="display: flex; justify-content: space-between;"> <div>Vibrant Appeal</div> <input type="checkbox"/> </div>					
<b>Sponsor Name:</b>	Greg Chavarria City Manager		<b>Department:</b>		Finance Department			

### SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH PUBLIC FINANCIAL MANAGEMENT (“PFM”) ASSET MANAGEMENT, LLC FOR INVESTMENT ADVISORY SERVICES FOR AN AMOUNT NOT TO EXCEED THE BUDGETED AMOUNT AS PROVIDED FOR IN FISCAL YEAR 2019-2020 BUDGET; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO EFFECTUATE THE SERVICE; AND PROVIDING AN EFFECTIVE DATE.

## STAFF SUMMARY:

### **Summary:**

The Investment Advisory Agreement, dated September 17, 2018 extended the term of the original contract through September 30, 2019. The City is satisfied with the services provided, and is seeking City Commission authorization to renew the agreement for an additional year.

### **Background:**

The City released RFP# FY2014-2015-015 for Investment Advisory Services on May 26, 2015. Public Financial Management (PFM) Asset Management LLC was selected and, through Resolution No. 2015-72 approved and adopted on August 5, 2015, was awarded the contract for investment advisory services.

PFM responsibilities include but are not limited to, manage the City's separate investment portfolios, works with City's staff to develop cash flow analysis and projections, and serves as general resource to the City staff for investment information and advice. It also provides monthly and quarterly statements on investment performance. The foremost objective of this investment program is the safety of the principal of those funds within the portfolios.

The compensation structure of PFM Services to the City is based on the daily net assets under management according to a pre-established schedule:

First \$25 million	10 basis points (0.10%)
Next \$25 million	8 basis points (0.08%)
Over \$50 million	7 basis points (0.07%)

Daily net assets is defined to include the amortized value of securities, accrued interest and cash or any money market fund balance. The City shall pay PFM a minimum annual amount of fifteen thousand (\$15,000) dollars.

### **Current Situation:**

The Investment Advisory Services contract provided for an initial term through September 30, 2016, is subject to renewal for additional one (1) year periods for up to five (5) years, upon mutual consent of the parties. An amendment to the Investment Advisory Agreement, dated September 17, 2018 extended the term of the original contract through September 30, 2019. The City is satisfied with the services provided, and is seeking City Commission authorization to renew the agreement for an additional year.

To renew the original agreement for an additional one year period, the original contract must be amended to reflect the term extension. The Fourth Amendment to the Investment Advisory Agreement is attached as Exhibit 3.

### **Why Action is Necessary:**

Pursuant to Chapter 23, Section 23-4, *Competitive Bidding Required*; all purchases of and contracts for equipment, supplies and contractual services, when the estimated cost shall exceed \$50,000, shall be based on competitive bids. Furthermore, pursuant to Chapter 23, Section 23-6,

*Award of Contract;* the City Manager, shall have the authority to recommend to the City Commission award of contracts.

**Fiscal Impact:**

Investment Advisory fees are estimated at \$80,000.

**PROPOSED ACTION:**

Staff recommends approval of the attached Resolution authorizing the City Manager to execute the Fourth Amendment to the agreement with PFM for investment advisory services for an amount not to exceed the budgeted amounts as provided for in the FY19/20 Budget.

**ATTACHEMENT(S):**

- Exhibit 1 – Proposed Resolution/Ordinance
- Exhibit 2 – Resolution 2017-052
- Exhibit 3 – Fourth Amendment
- Exhibit 4 – Agreement for Investment Advisory Services with PFM