



BOARD OF SUPERVISORS

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COUNTY OF TULARE AGENDA ITEM

AGENDA DATE: August 27, 2024

Public Hearing Required	N/A
Scheduled Public Hearing w/Clerk	N/A
Published Notice Required	N/A
Advertised Published Notice	N/A
Meet & Confer Required	N/A
Budget Transfer (Aud 308) attached	N/A
Personnel Resolution attached	N/A
Agreement(s) attached	Yes

CONTACT PERSON: Cass Cook PHONE: 559-636-5223

SUBJECT: Transfer of Agreement for Program Administration Services for the County's Millennium Capital Project Fund Program

REQUEST(S):

That the Board of Supervisors:

1. Approve the request from PFM Asset Management LLC to transfer its Agreement with the County for Program Administration Services for the County's Millennium Capital Project Fund Program to its parent company U.S. Bancorp Asset Management, Inc.
2. Authorize the Board Chair to sign the consent letter approving the requested transfer.

SUMMARY:

On July 30, 2024, your Board approved an agreement with PFM Asset Management, LLC ("PFMAM") under which PFMAM will continue to serve as the Program Administrator for the County's Millennium Capital Project Fund Program (County Agreement No. 31832). The agreement took effect on July 30, 2024, and continues for a period of five (5) years, unless extended or earlier terminated. This agreement essentially continues the services PFMAM has provided for the Program since its beginning in 1999.

In 2021, PFMAM was acquired by and became a subsidiary of U.S. Bank. Recently PFMAM notified the County that for regulatory purposes PFMAM is consolidating its investment management and advisory services with its parent company U.S. Bancorp Asset Management, Inc. ("USBAM") and, under the terms of the agreement, has requested that the County consent to the transfer of the agreement to USBAM. According to PFMAM, they do not anticipate that the consolidation will result in any change in the

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PFMAM team that has successfully provided Millennium Fund program administration/investment advisory services to the County for many years.

County Treasury staff, along with CAO staff, has discussed the request and believes it in the County's best interest to approve it. Note that under the agreement, (1) USBAM will be required to use only competent personnel to service the County's accounts, and to comply with the County's reasonable requests regarding the assignment and/or removal of personnel, and (2) if at any time and for any reason the County determines that the services being provided by USBAM are not satisfactory, then the County may terminate the agreement without cause on 30 days' advance written notice and contract with another investment advisory firm for necessary services.

FISCAL IMPACT/FINANCING:

The requested actions are not expected to have a fiscal impact.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

Tulare County's Strategic Plan includes the initiative of Organizational Performance to promote continuous improvement of organizational effectiveness and fiscal stability. The Board's approval of the requested actions helps fulfill this Initiative by ensuring the stability of county operations through efficient financial processes and management of the investment of funds in the County's Millennium Capital Project Fund Program.

ADMINISTRATIVE SIGN-OFF:

 /S/Cass Cook

Cass Cook
Auditor-Controller/Treasurer-Tax Collector

Cc: County Administrative Office

Attachments: Positive Consent Letter