



Auditor- Controller/Treasurer Tax Collector

COUNTY OF TULARE AGENDA ITEM

BOARD OF SUPERVISORS

LARRY MICARI
District One

PETE VANDER POEL
District Two

AMY SHUKLIAN
District Three

EDDIE VALERO
District Four

DENNIS TOWNSEND
District Five

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 Investment Advisory Services for the County Investment Pool

REQUEST(S):

That the Board of Supervisors:

1. Approve the request from PFM Asset Management LLC to transfer its Agreement with the County for Investment Advisory Services for the County's Investment Pool 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 August 14, 2018, your Board approved an agreement with PFM Asset Management, LLC ("PFMAM") under which PFMAM has provided investment advisory services to the County Treasurer for the County's Medium Maturity Investment Pool (County Agreement No. 28775). The agreement took effect on September 1, 2018, and continues until terminated. 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 PFMAM team that has successfully provided investment advisory services to the County for many years.

County Treasury staff, along with CAO staff, has discussed the request and believes it in

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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 surplus funds in the County's investment pool.

ADMINISTRATIVE SIGN-OFF:

/S/Cass Cook

Cass Cook

Auditor-Controller/Treasurer-Tax Collector

Cc: County Administrative Office

Attachments: Positive Consent Letter