



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Treasurer-Tax Collector



**Date:** April 29, 2016

**Board Meeting Date:** June 21, 2016

**Special Notice / Hearing:** None

**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Sandie Arnott, Treasurer-Tax Collector

**Subject:** Amendment to Agreement with PFM Asset Management LLC. to Provide Portfolio Compliance Reporting Services

**RECOMMENDATION:**

Adopt a resolution authorizing an amendment to the agreement with PFM Asset Management LLC to provide portfolio compliance reporting services, extending the term August 1, 2016 through July 31, 2019, and increasing the amount by \$180,000.00 to an amount not to exceed \$240,000.

**BACKGROUND:**

In August 1, 2015, the San Mateo County Treasurer's Office entered into an agreement with PFM Asset Management LLC to provide portfolio compliance reporting services.

**DISCUSSION:**

The 2012 San Mateo County Investment Policy Statement provides that the Treasurer-Tax Collector shall contract with an external compliance advisor to conduct independent monthly compliance reviews of the County's portfolio holdings and provide monthly written reports.

PFM Asset Management has provided independent, objective, well informed compliance advice to ensure investments are always in compliance with the San Mateo County investment policy. PFM is the most qualified vendor, based on their extensive experience and history with our portfolio and deep understanding of the industry and understanding of the Treasurer's investment pool and policy.

The amendment and resolution have been reviewed and approved by County Counsel as to form.

The County Compliance Committee has approved a waiver request to extend the contract three additional years.

This amendment contributes to the Shared Vision 2025 outcome of a Collaborative Community by managing the financial assets of the County and maintaining the value of the investment pool through professional and efficient administration.

The Resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000.00 (in aggregate).

**PERFORMANCE MEASURE(S):**

<b>Measure</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Target</b>
Investment Pool Compliance	100%	100%
County Pool Dollar Earnings	\$32 million	\$32 million

**FISCAL IMPACT:**

Funds in the amount of \$180,000.00 are included in the Treasurer-Tax Collector's FY 2016-17 Recommended Budget.