



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 24-046

Board Meeting Date: 1/23/2024

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors  
**From:** Louise F. Rogers, Chief, San Mateo County Health  
Lisa Mancini, Director, Aging and Adult Services  
**Subject:** Agreement with Prudent Investors for Financial Advisor Services

**RECOMMENDATION:**

Adopt a resolution authorizing an agreement with Prudent Investors to provide financial advisor services for conserved clients of the Public Guardian and decedent estates of the Public Administrator, for the term of February 1, 2024 through December 31, 2026, in an amount not to exceed \$300,000.

**BACKGROUND:**

Aging and Adult Services (AAS) operates the Public Guardian (PG) program, which acts under the authority of the Superior Court to manage the estates of conserved individuals who are deemed by the court to be unable to care for themselves and/or manage their financial affairs. AAS also operates the Public Administrator (PA) program, which is regularly appointed by the Superior Court to administer the estates of deceased County residents when there is no one available to take on this responsibility. The PA's responsibilities include safeguarding, managing, and distributing the assets of such estates to heirs and beneficiaries. The financial advisor services required by the PG and PA include providing a wide range of investment options and information on the cost basis of assets for tax reporting, as well as preparing reports for AAS and the court to monitor client investments. For PG clients, the services also include financial and estate planning.

In 2023, the previous contractor informed AAS they no longer have the capacity to serve AAS client needs. As a result, in September 2023, a Request for Proposals (RFP) was issued to solicit proposals for financial advisor services, with three proposers responding. An RFP Evaluation Committee comprised of individuals from the AAS Administrative and Financial Services Unit, Health Administration, and the AAS Estate Management Unit reviewed the proposals and selected Prudent Investors to provide financial advisor services. Prudent Investors has significant experience serving PG clients from other counties.

**DISCUSSION:**

In consideration for the services provided and consistent with the California Rules of Court and the San Mateo County Superior Court’s Local Rules, Prudent Investors will be paid an annual fee directly from estate funds of up to 1% of the value of the of the individual estate’s assets under management. Fees are calculated and assessed monthly. The aggregate average monthly assets currently under financial management is approximately \$3,800,000.

The agreement and resolution have been reviewed and approved by the County Attorney’s Office as to form.

The resolution contains the County’s standard provisions allowing amendment of the County fiscal obligations by a maximum of \$25,000 (in aggregate).

It is anticipated that 100% of clients’ accounts will be satisfactorily managed by Prudent Investors.

**PERFORMANCE MEASURE:**

<b>Measure</b>	<b>FY 2023-24 Estimated</b>	<b>FY 2024-25 Projected</b>
Percentage of clients’ accounts satisfactorily managed by contractor	100%	100%

**FISCAL IMPACT:**

The term of the agreement is February 1, 2024, through December 31, 2026. The amount of the agreement is not to exceed \$300,000 for the 35-months term. Fees for these services are reimbursed directly and entirely from the assets of PG clients and from decedent’s estates. As a result, there is No Net County Cost associated with this agreement. Funds for these services have been included in AAS FY 2023-24 Adopted Budget. Similar arrangements will be made for future budget years.

**ATTACHMENT:**

RFP Matrix