



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: *June 8, 2021*

DATE: Thursday, June 03, 2021

TO: Board of County Commissioners

FROM: Tammi Davis, Washoe County Treasurer
(775) 328-2525, Tsdavis@washoecounty.us

SUBJECT: Recommendation to approve an Investment Services Agreement between Washoe County and FHN Financial Main Street Advisors (FHN) for investment management services, for a term of four (4) years with annual renewal options as agreed upon by all parties; estimated annual cost \$250,000.00, which is allocated among the funds and agencies who participate in the Washoe County Investment Pool – Treasurer. (All Commission Districts).

SUMMARY

Recommendation to approve an Investment Services Agreement between Washoe County and FHN Financial Main Street Advisors (FHN) for investment management services for a term of four (4) years with annual renewal options as agreed upon by all parties; estimated annual cost \$250,000.00, which is allocated among the funds and agencies who participate in the Washoe County Investment Pool.

Washoe County has a current month to month agreement in place for investment management services that may be terminated on thirty (30) day notice by either party.

Washoe County Strategic Objective supported by this item:
Stewardship of our Community

PREVIOUS ACTION

January 21, 2021	Request for Proposals (RFP) 3152-21 for Investment Management Services was released.
February 5, 2021	Five (5) respondent proposals were received and evaluated by a panel of subject matter experts.
February – April, 2021	An evaluation committee reviewed the proposals and four (4) vendors were invited to provide a remote presentation to evaluators.
April 23, 2021	Upon completion of the process, FHN was found to be the best responsive, responsible submitter.

AGENDA ITEM # _____

May 14, 2021

The Washoe County Investment Committee received the results of the RFP process and the Committee recommended approval of an agreement for investment management services with FHN.

BACKGROUND

Washoe County currently holds an investment portfolio of approximately \$590 million. This portfolio invests monies belonging to the Washoe County Investment Pool, which members consist of Washoe County and its various funds, as well as the Regional Transportation Commission, Truckee River Flood Management Authority, Truckee Meadows Fire Protection District, Washoe County Other Post Employee Benefits Trust, Western Regional Water Commission and Nevada Works. The cost of fees paid for investment management services is shared by these funds and agencies.

The size and complexity of the County's portfolio is sufficient to require a reasonably high-level of portfolio management skills and resources. The County's portfolio benefits from the expertise and market knowledge that an investment management agreement provides by way of better diversification and enhanced return. Maintaining an investment management agreement allows for more active management of the portfolio by providing staff time and resources that would not otherwise be available.

The County first sought the services of an investment manager in 2004 and has had the same investment advisor since that time. On January 21, 2021, Washoe County issued an RFP for investment management services, which resulted in the recommendation to award this agreement to FHN.

FISCAL IMPACT

Estimated annual cost is \$250,000.00, which is allocated among the funds and agencies who participate in the Washoe County Investment Pool. Costs allocated to the General Fund are a part of the approved fiscal year (FY) 2021/22 budget for Cost Center 113200 Account 710141.

RECOMMENDATION

It is recommended to approve the Investment Services Agreement between Washoe County and FHN Financial Main Street Advisors (FHN) for investment management services for a term of four (4) years with annual renewal options as agreed upon by all parties; estimated annual cost of \$250,000.00, which is allocated among the funds and agencies who participate in the Washoe County Investment Pool.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

"Move to approve Investment Services Agreement between Washoe County and FHN Financial Main Street Advisors (FHN) for investment management services for a term of four (4) years with annual renewal options as agreed upon by all parties; estimated annual cost \$250,000.00 which is allocated among the funds and agencies who participate in the Washoe County Investment Pool."