City of Culver City, California

City Council Agenda Item Report

Meeting Date: 12/17/07	Item Number: J-4
AGENDA ITEM: JOINT ITEM before the City Council and Redevelopment Agency: Review and Approve the Release of a Request for Proposal for Professional Review of the City's Investment Policy, Practices and Procedures.	
Contact Person/Dept.: Mary V. Noller, Budget & Finance	Phone Number: (310) 253-6012
Fiscal Impact: Yes [__] No [X]	General Fund: Yes [ ] No [X]
Public Hearing: [ ] Action Item: [X]	Attachments: [X]
Public Notification: Master Notification List 12/12/07;	
Department Approval: Jeff Muir (12/10/07)	City Attorney Approval: Carol Schwab (by H. Baker) (12/11/07)
Fiscal Impact Review: Jeff Muir (by M. Noller) (12/11/07)	City Manager Approval: Jerry B. Fulwood (12/12/07)

RECOMMENDATION:

Staff recommends the City Council and Redevelopment Agency review and approve the release of a Request for Proposal (RFP) for Professional Review of the City's Investment Policy, Practices and Procedures.

BACKGROUND:

During the April 2006 election, Culver City voters approved a change in the City Charter whereby both the City Treasurer's and City Clerk's elected status will cease as of April 9, 2008. Under the provisions of the current City Charter, the elected City Treasurer's responsibilities remain those in effect under the prior Charter, which includes the responsibility for the investment of the City and Redevelopment Agency's funds.

The City Council approved the creation of a Finance Department with a Chief Financial Officer (CFO) as head of the department, to combine the functions currently performed in the City Treasurer's Office and the City Controller's Office. The Chief Financial Officer will assume the duties of the City Treasurer on April 9, 2008, which will include the investment activities for both the City and Redevelopment Agency.

In preparation of this transition, the City is seeking proposals from qualified California local government agency investment portfolio management firms to undertake a complete review of the City's investment program by providing a thorough assessment of the City's investment policy, practices and procedures.

This is a common practice when transitioning responsibilities regarding the custody, administration, and investment of public funds.

DISCUSSION:

The City is seeking professional services from qualified firms to review and make recommendations regarding, but not limited to: the City Investment Policy; Analysis of Portfolio and Structure Compared to Stated Objectives; Use of Best Practices in Administration of Portfolio; and Recommendations for Modifications to the Policy and/or Procedures. The attached RFP describes the expectations, deliverables, evaluation and selection process, qualification and approach requested to be taken by the selected firm.

FISCAL ANALYSIS:

There is no fiscal impact associated with the release of the RFP. Staff will request the City Council and Redevelopment Agency to approve an appropriation for these services at the time the contract is brought back to be awarded in February.

ATTACHMENTS:

1. Request for Proposal for Professional Review of the City's Investment Policy, Practices and Procedures.

MOTION:

That the City Council:

Review and approve the release of the RFP for Professional Review of the City's Investment Policy, Practices and Procedures.

That the Redevelopment Agency:

Review and approve the release of the RFP for Professional Review of the City's Investment Policy, Practices and Procedures.