**REQUEST FOR PROPOSALS**

**City of Cordova Investment Services**

**Deadline: August 18, 2023**

1. **Scope of Services**

City of Cordova is soliciting proposals from investment advisory firms for portfolio management services for two portfolios – approximately $4 million in operating funds and approximately $9 million in City Permanent Funds. The contract will be for a period of two years with an option to extend for two years, with services to begin on January 1, 2024.

Specific services, although not all-inclusive, are to be performed as follows:

* 1. Assist the City with cash flow / maturity analysis
  2. Provide credit analysis of investment instruments in the portfolios
  3. Provide monthly, quarterly, fiscal year annual and calendar year annual reporting on the City’s Operating portfolio and Enhancement portfolio.
  4. Attend quarterly meetings via conference call with the City investment committee.
  5. Attend one City Council work session annually to communicate annual performance
  6. Evaluate market risk and develop strategies that minimize the impact on the portfolios
  7. Provide assurance of portfolio compliance with applicable policies and laws
  8. Establish an appropriate performance benchmark
  9. Review the City’s investment policy and make appropriate recommendations
  10. Ensure that the portfolios match the City’s objectives
  11. Serve as a fiduciary on behalf of the City’s investment portfolios

Investment practices and procedures must comply with the laws of the State of Alaska and the City of Cordova’s written investment policy. The investment advisory firm will be expected to perform to the Prudent Expert Standard.

1. **Selection Criteria**

In accordance with the goals of City of Cordova, the following criteria will be used as the basis for evaluation of the proposals and the award recommendation:

* 1. Understanding of City’s investment objectives and its unique constraints.
  2. Experience, resources, and qualifications of the firm and individuals assigned to City’s account.
  3. Experience of the firm in managing state and local government portfolios.
  4. Recommended approach to management of the portfolios.
  5. Fees

The respondent’s understanding of the scope of services required includes demonstrated abilities to coordinate delivery of the services and an understanding of the needs and operational requirements of the City of Cordova.

Award may not be made to the respondent submitting the lowest price proposal. City of Cordova will choose the firm submitting the best and most responsive overall proposal to satisfy its needs.

1. **Submission Instructions**
2. Proposal Format

In order to equitably evaluate each respondent’s ability, a standard format for all proposals is required. A response must be given to each item in Section V of this RFP. City requests that responses be in the same order as the questions presented, stating acceptance of, modifications or additions to, or a statement of the inability to provide, said service. Only proposals submitted in entirety will be considered and evaluated for contract.

An electronic copy of this RFP is located on the City of Cordova website www.city.Cordova.ak.us/RFPs. Submission of the proposal, however, must be in hard copy form. Submissions of proposals by email or facsimile will not be accepted. All submissions will be opened and reviewed by the Investment Committee on the specified date.

1. Proposal Submission

One complete copy **proposal must be submitted by 4 p.m. on August 18, 2023** to the address below. Proposals must be delivered by mail, express mail, overnight delivery service, or in person to:

Helen Howarth, City Manager

City of Cordova

PO Box 1210

Cordova, AK 99574

Please note that priority mail through the U.S. postal service usually requires at least one week for delivery to Cordova, and that overnight delivery service from the lower 48 states to Cordova takes a minimum of three days; commercial flight schedules to Cordova frequently are subject to delays or cancellations due to weather conditions.

Proposals received after the stated deadline will not be opened, accepted, or considered. The proposal must be submitted in a sealed envelope or packet marked “Proposal for Investment Advisory Services.”

As part of your submission, an accompanying cover letter must be signed by an individual authorized to bind the firm, certify that all information is accurate, state that the proposal is valid for 90 days from the submission date, and give full contact information regarding the proposal.

**A copy of the City of Cordova’s current investment policy is attached as appendix A.**

**City of Cordova Request for Proposals: Investment Services**

**Submission Deadline: August 18, 2023 4 PM**

Format your responses to each question in sections A through G below in the order given to facilitate comparisons between respondents.

**A. Firm Background and Organization**

1. Provide a description of your firm’s organization including history, ownership, and percentage of revenues derived from investment consulting/endowment management to governmental organizations.
2. Provide three (3) current client contacts as references for which similar investment management services are being performed, preferably with non-profit institutions similar in investment asset size to the City.
3. Is your firm a registered investment advisor under the Investment Advisor’s Act of 1940, as amended?
4. Describe any SEC, NASD, or regulatory censure or litigation involving your firm or its employees within the past three years.

**B. Experience**

1. Describe your firm’s experience in managing fixed income portfolios for public funds and governmental entities.
2. What is your firm’s experience in developing policies and portfolio management guidelines for government portfolios?
3. Does your firm act as a broker or as a primary dealer in securities or receive any other form of additional compensation (including soft dollars) for the client transactions aside from the direct fee paid by clients?

**C. Personnel**

1. Identify and provide background information on the key person or personnel who take the most active role(s) in the administration and management of the firm.
2. Provide resumes and biographical information on key investment professionals that will be directly involved in the decision-making process for City’s portfolio. Include the number of years at your firm, total years of experience, and professional licenses and designations. Include the number of accounts managed and any limits on this.
3. Has there been any turnover of professional staff in the firm in the last three years assigned to public sector clients?

**D. Assets Under Management**

1. Summarize your institutional investment assets under management by category as shown below for your latest reporting period.

* Governmental Non-Governmental
* Operating / Bond Funds
* Pension Funds
* Foundations
* Equity Funds
* Total

1. List three comparable or most representative governmental clients. Identify the nature of the funds and provide a contact name and number for each.

**E. Investment Management Approach**

* + - 1. Briefly describe your firm’s investment management philosophy, including your approach to managing governmental portfolios.
      2. How are portfolios managed (e.g. by team, individual manager)? What is the back-up when the manager is away?
      3. Describe your firm’s in-house technical and research capabilities. Are outside sources used by the firm on a regular basis?
      4. How frequently would you suggest your staff meet with the government entity’s staff or the City of Cordova? Who will attend these meetings?

**F. Reporting**

1. Describe the investment accounting and reporting system used by your firm.
2. Describe the frequency and format of reports that you would provide to the government entity’s staff. Attach a sample report.

**G. Fees**

1. Provide the complete fee schedule that would apply for each of the City’s portfolios. Are fees charged in arrears?
2. What additional expenses not covered through the fee structure will be expected in order to implement your investment advisory services?

**Questions or Additional information contact:**

Helen Howarth, City Manager

[citymanager@cityofcordova.net](mailto:citymanager@cityofcordova.net)

(907)424-6224