Agenda Item No: 1.u

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: June 16, 2026

Submitted by: Jerry Griggs

From: Finance

Subject:
AWARD PROFESSIONAL SERVICES AGREEMENT WITH CHANDLER ASSET MANAGEMENT FOR PROFESSIONAL FINANCIAL ADVISORY SERVICES

Financial Impact:
Expense: $45,000 Annual fee
$45,000 Budgeted in FY26-27 Proposed Budget

Summary:
The City Treasurer is responsible for maintaining a prudent investment portfolio for the City's idle funds in accordance with the City's Investment Policy. With the increasing complexity of today's market, a professional fund advisor capable of successfully investing in diverse markets is more advantageous than managing the City's investments by staff generating a higher rate of return on the City's investments while adhering to the City's Investment Policy goals of safety, liquidity, and return. City staff is recommending approving a new agreement with Chandler Asset Management, for a (5) five-year term through June 30, 2031.

Recommended Action:
It is recommended that the City Council:

1. Approve Professional Services Agreement with Chandler Asset Management for Professional Financial Advisory Services; and
2. Authorize the City Administrator and/or her designee to execute all the necessary documents in a form approved by the City Attorney.

Strategic Plan Statement:
This item is consistent with the City Council approved Strategic Goal No. 1 to Ensure Long-Term Fiscal Sustainability but is not tied to a specific Objective.

Discussion:
The City aggregates all funds not immediately required for disbursement in a pool, which is invested in various investment securities and vehicles. The City directly invests in securities issued by the U.S. Treasury, Agencies of the United States and other similarly conservative investments permitted by the City's Investment Policy.

Unlike some local governments, the City does not have a full-time dedicated staff resource, such as a Chief Investment Officer, to manage its investment portfolio. The City's elected City

Treasurer, by charter, is the custodian of all public funds and is responsible for maintaining a good investment program based on a sophisticated cash flow analysis.

The City went out to RFP for investment advisory services in May of 2026. The City received eleven bids and after careful evaluation the City has selected Chandler Asset Management.

Financial Summary:
For FY2026/27 estimated expenses for these services are $45,000 which is the amount included in the FY 2026/27 Proposed Budget.

Attachments
City of Placentia RFP_Chandler Asset Management.pdf
Chandler Fee Proposal_City of Placentia.pdf
Chandler Contract.docx