

# MACON-BIBB COUNTY, GEORGIA

Request for Proposals (RFP)

FOR

## MACON-BIBB COUNTY INVESTMENT MANAGEMENT SERVICES

17-026-CW



MACON-BIBB COUNTY

ISSUE DATE: February 7, 2017

DUE DATE: March 2, 2017

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## Request for Proposal

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I. GENERAL

A. Invitation

Notice is hereby given that Macon-Bibb County will receive responses to the Request for Proposal (original **plus 10 copies**) in the Procurement Department, 700 Poplar Street, suite 308, Macon, Georgia 31201, until **12:00 o'clock NOON** at the time legally prevailing in Macon, Georgia on March 2, 2017, for **MACON-BIBB COUNTY INVESTMENT MANAGEMENT SERVICES** for Macon- Bibb County.

**NO LATE RESPONSES WILL BE CONSIDERED**

The names of responding firms will be publicly read on Thursday, March 2, 2017, at 2:00 P.M. in the Macon-Bibb County Procurement Department Conference Room, located on the 3rd Floor of the Government Center at 700 Poplar Street, suite 308, Macon, Georgia 31201.

B. Definitions

Wherever the term "Owner", "County", or "Macon-Bibb County" occur in this document, it shall mean Macon-Bibb County, a political subdivision of the State of Georgia acting through the Macon-Bibb County Board of Commissioners.

C. Solicitation Documents

Announcement of this Request for Professional Services may also be posted on the Macon-Bibb County website at [www.maconbibb.us/purchasing](http://www.maconbibb.us/purchasing) and on the Georgia Procurement Registry website [https://ssl.doas.state.ga.us/PRSapp/PR\\_index.jsp](https://ssl.doas.state.ga.us/PRSapp/PR_index.jsp)

D. Insurance Requirements

Insurance coverage shall be carried with an insurance company licensed to do business in the State of Georgia. All coverage should be written with insurance company with a Best Rating of A or better. Insurance shall be obtained prior to commencement of work and shall remain in force throughout the period of the contract. Macon-Bibb County shall be named as additional insured on the policy.

Workers' Compensation: Statutory

Errors and Omission: \$1,000,000

General Liability: \$1,000,000

E. Submittals

Responses must be sealed and identified on the outside of the package as and delivered to

**"17-024-CW INVESTMENT MANAGEMENT SERVICES"**

Macon-Bibb County Procurement Department

700 Poplar Street, Suite 308

Macon, Georgia 31201

Telephone: (478) 803-0550

Submissions may not be withdrawn for a period of one hundred and twenty (120) days after the deadline on date of closing. Macon- Bibb reserves the right to reject any and all submissions and to waive technicalities and formalities. Respondents shall carefully read the information contained herein and submit a complete response to all requirements and questions as directed. Submittals and any other information submitted by

in response to the RFP shall become the property of Macon-Bibb County.

#### F. Responsiveness

In order to be considered “*responsive*” the submission must include completed copies of the following documents:

- Price Proposal Form
- Proposer Qualification Form
- List of Sub-Consultants
- Minority Participation Goal
- Financial & Legal Stability Statement
- Georgia Security and Immigration Compliance Act (E-Verify) Affidavit

#### G. Responsibility

In order to be considered “*responsible*” the submitting firm must meet the following minimum qualifications:

- Three (3) years of experience providing the services included herein
- Licensed to do business in the State of Georgia
- Financially and Legally responsible to perform the services included herein

#### H. Reservations

Macon-Bibb County will not provide compensation to Respondents for any expenses incurred by the Respondent(s) for submittal preparation or for any demonstrations that may be made, unless otherwise expressly stated or required by law.

Each submission should be prepared simply and economically, providing a straightforward, concise description of your firm’s ability to meet the requirements of this RFP. Emphasis should be on completeness, clarity of content, responsiveness to the requirements, and an understanding of the Owner’s needs.

Macon-Bibb County makes no guarantee that an award will be made as a result of this RFP and reserves the right to accept or reject any or all submittals, with or without cause, waive any formalities or minor technical inconsistencies, or delete any item/requirement from this RFP or contract when deemed to be in the Owner’s best interest.

Macon-Bibb County will consider only representations made within the submission in response to this

RFP. Owner will not be bound to act by any previous knowledge, communication or submission by the firms other than this RFP.

Failure to comply with the requirements contained herein may result in the submission being deemed "nonresponsive" or "non-responsible". None responsive submissions will not be reviewed for potential award.

## II. STATEMENT OF NEEDS

### Introduction and Purpose

Macon-Bibb County (the "County") is searching for an investment consultant for to assist in investing its: general funds, special revenue funds, debt service funds, capital project funds, special revenue funds, debt service funds, capital project funds, internal service funds, enterprise funds, and other funds as identified by the County. General instructions and requirements are attached which will indicate considerations to be used in evaluating the RFQ's and awarding a contract.

The County reserves the right to waive any formality in any proposal and to reject any and all proposals. Any proposal submitted shall constitute an irrevocable offer, to provide to the County regarding the proposed services

The firm shall not assign any interest in the contract and shall not transfer any interest in the same without prior written consent of the County. The firm may subcontract part of the proposed services with prior written consent of the County.

**Restriction of Communication.** From the issue date of this RFQ until a successful respondent(s) are selected and the selection is announced, respondents are not allowed to communicate about this solicitation with any member of the County, County staff or County consultants, except for submission of questions as instructed herein, or during the proposer's conference (if applicable), or as provided by any existing work agreement(s). For any violation of this provision, the County reserves the right to reject the submission of the offending respondent.

### SECTION II- Scope of Services

The services to be provided include, but are not limited to, the following:

- The Investment Manager will be required to attend County Meetings as requested.
  
- A semi-annual review of investment policies, goals and guidelines including risk assessment and asset allocation. The review will include a formal written report to the County as to recommendations or amendments to the investment policies, goals or guidelines. The advisor shall be responsible for maintaining the investment policy documents and will provide the County with twenty (20) copies upon amendment or annually, whichever is less.
  
- Quarterly reports of investment performance which include an overview of manager performance, a narrative commentary addressing performance on an absolute and relative basis, concise explanations of the level of performance relative to risk and long range projections of the various markets. The advisor will be responsible for, (1) compliance with the "County's" investment policy and will include along with the Quarterly Report a Statement of Compliance; (2) tracking brokerage practices and will

provide written reports quarterly to the County as to minority participation; and (3) assure continuity of the existing performance reports as to performance on a quarter to date, year to date and inception to date basis. A representative of the advisor shall attend the meeting of the County to discuss the performance reports, upon request. The advisor will provide the County with twenty (20) copies of the report quarterly, five (5) working days in advance of the meeting.

- Assist the County by making recommendations concerning commission recapture, brokerage practices, investment return assumptions for actuarial reports or other investment related subjects.
- Assist the County in their commitment to equal opportunity at all levels of asset management.

#### Qualifications and Criteria

1. Provide a brief description of your organization and identify the team, including investment representatives that will be assigned to our account. List names, titles, office location, brief biographies and length of service with the organization.
2. Describe the responsibilities of customer service personnel, including the chain of command for problem resolution.
3. List the number and location of your branches in the Southeast.
4. Current dollar amount of assets and the associated number of accounts under management as of December 31, 2016,. Segregate by the type of client (Municipal, commercial, charitable, etc).
5. Describe your organization's experience in managing individual portfolios for Municipalities
6. Provide names and phone numbers of three references for the team designated in #1 above, preferably municipalities of similar size, who are currently using the services requested in this RFP.

Provide the following information:

Client Name

Contact Name

Telephone Number

Length of Relationship

7. List certifications, associations, memberships and other professional designations of the organization and team members designated in #1 above.
8. What regulatory agency is your organization examined by and/or subject to its rules and regulations?
9. Describe any fiduciary insurance coverage your organization has in place to protect the County.
10. Recap any pending contracts that would alter the ownership of the organization or if the organization is under any kind of regulatory enforcement action/agreement.
11. List any pending litigation against your organization.
12. What differentiates your organization and services from other providers?
13. What other services can the organization provide that would benefit The County?

#### Investment Services

14. For short-term investments, are tools available that would allow The County to place bids, purchases and sales within select investment strategies? Solely or only with the assistance of an advisor?
15. Do you have a fiduciary duty to me? Do you act as a broker/dealer? If so, provide details.
16. What is your investment philosophy on the buying and selling of investments?
17. Briefly describe your firm's investment philosophy. What are the primary strategies employed by your organization for adding value to portfolios?
18. After reviewing our investment holdings (pages 5 & 6), what are your recommendations for the

current portfolio?

19. What are the three- (3), five- (5) and ten- (10) year projected returns for your recommended mix? What is your historical return for these same time periods?
20. Please give a complete analysis of all costs associated with your investment recommendations (trading costs, hidden or not apparent fees, any other costs).
21. Will all recommended funds investments be registered with the SEC? Who will have custody of the assets? Will there be any redemption restrictions or limitations?
22. Do your managers invest in recommended funds?
23. Are you limited to the products/funds that you can recommend or do you have an open architecture format?
24. Are there any conflicts of interest regarding the products you recommend?
25. Do you have an independent review committee that oversees investment manager/manager teams?
26. Are there any administrative fees or any other fees? If so, please provide a list and the frequency of the charge.
27. Would you receive other forms of compensation from an engagement with the County, such as commission, mark-ups, referral fees, or soft dollars?
28. Do you manage funds with a team approach? How do you communicate with your clients?
29. Describe your client service model and expected interaction with the County.
30. Where are final decisions on investments made within your company? Who is the person who takes responsibility for the performance of the portfolio? Where are they located? Are they available for quarterly meetings?

#### Information Reporting

31. Provide sample monthly, quarterly and/or annual reports. (If available, accurate time weighted rate of return on investments of the funds provided on a quarterly basis.)
32. Are electronic tools available for monitoring and reporting?
33. Is accrued income by individual investment detailed?
34. Within how many days of month-end can the The County expect to receive its monthly statement?
35. In what formats (hard copy, electronic files, etc.) can the The County receive account statements? What is the frequency each is available?
36. How many months of history can be accessed on-line?

## **SEC Municipal Advisor – IRMA Exemption Notice**

This notice has been prepared and made publicly available by Macon-Bibb County (the “County”) in light of the Securities and Exchange Commission’s (“SEC”) “Municipal Advisor Rule” pursuant to Section 975 of Title IX of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act”).

The County engages in an ongoing dialogue with potential transaction parties, and is aware of the amendments to Section 15B of the Securities Exchange Act of 1934 effectuated by Section 975 of the Dodd-Frank Act, as well as the SEC Release No. 34-70462 (September 20, 2013). In this regard, please note that the County considers discussions with potential transaction parties to be arms-length negotiations.

The County recognizes that third parties have financial and other interests that differ from ours, and as such we do not consider a fiduciary relationship to arise. The County has engaged an independent registered municipal advisor (“IRMA”) with the intent of relying (i.e., taking into careful consideration, along with any other information deemed relevant or appropriate, but not necessarily following) on that IRMA for advice related to any potential transactions, financial products (the “Covered Advice”), and consequently to allow third parties to qualify for the exemption provided by 17 CFR §240.15Ba1-1(d)(3)(vi) (the “IRMA exemption”). If you intend to avail yourself of the IRMA exemption, we request that you supply written materials setting forth the material contents of your presentation to our IRMA concurrently with, or prior to, discussing it with us. Additionally, our IRMA will respond to whatever requests you may have to determine if they are “independent.” Underwriters may rely on this notice with respect to Covered Advice.

**The name and contact information of the County’s IRMA, which is registered as a municipal advisor with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board, is as follows:**

**Matthew R. Arrington**

**President**

**Terminus Municipal Advisors, LLC**

*3715 Northside Parkway NW*

*Suite 4-220*

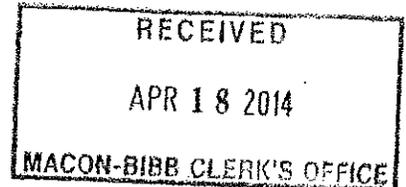
*Atlanta, GA 30327*

*(404) 495-4722*

*(205) 585-6540 Cell*

 **TerminusMunicipalAdvisors<sup>LLC</sup>**

[www.smcterminus.com](http://www.smcterminus.com)



**MACON-BIBB COUNTY  
INVESTMENT POLICY**

**FOR**

**GENERAL FUND, SPECIAL REVENUE FUNDS, DEBT SERVICE FUNDS, CAPITAL  
PROJECT FUNDS, INTERNAL SERVICE FUNDS, ENTERPRISE FUNDS, AND NEW  
FUNDS**

**PURPOSE** – It is the policy of Macon-Bibb County to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the County and comply with all state statutes governing the investment of public funds.

**SCOPE** – This investment policy applies to all non-retirement financial assets of Macon-Bibb County. These assets are accounted for in the various funds of the County and include the general fund, special revenue funds, debt service funds and capital project funds (unless bond ordinances and resolutions are more restrictive), enterprise funds, internal service funds, and any new funds established by Macon-Bibb County.

**OBJECTIVES** – The primary objectives, in priority order, of the County's investment activities shall be:

**SAFETY** – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

**DIVERSIFICATION** – The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

**LIQUIDITY** – The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

**RETURN ON INVESTMENT** – The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycle, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

**DELEGATION OF THE AUTHORITY TO MAKE INVESTMENTS** – The authority to manage the investment program and invest the financial resources of the consolidated government for all non-retirement financial assets of Macon-Bibb County is delegated to the Finance Director and the County Manager. The Finance Director and the County Manager shall establish the written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, cash purchase or delivery vs. payment, investment accounting, repurchase agreements, wire

transfer agreements, collateral/ depository agreements and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance and County Manager. The Director of Finance and County Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

**LEGAL INVESTMENTS** – The Director of Finance and County Manager are limited to investments established by Georgia Code Section 36-83-4, and may invest in the following:

- a) Obligations of this state or of other states;
- b) Obligations issued by the United States government;
- c) Obligations fully insured or guaranteed by the United States Government or a United States government agency;
- d) Obligations of any corporation of the United States government;
- e) Prime bankers' acceptances
- f) The local government investment pool established by Code Section 36-83-8;
- g) Repurchase agreements; and
- h) Obligations of other political subdivisions of this state.

**SAFEKEEPING AND CUSTODY** – All security transactions, including financial institution deposits, entered into by the Director of Finance and County Manager shall be on a delivery vs. payment basis. Securities may be held by a third party custodian designated by the Director of Finance and County Manager.

**DIVERSIFICATION** – Macon-Bibb County will diversify its investments by security type and institution. With exception of U.S. Treasury securities and authorized pools, no more than the percentages listed below of the Macon-Bibb County's total investment portfolio will be invested in a single security type or with a single financial institution- 50% obligations of State government, 25% repurchase agreements and municipal bonds, 20% prime banker's acceptance.

**MAXIMUM MATURITIES** – **MAXIMUM MATURITIES** – To the extent possible, Macon-Bibb County will attempt to match its investment with anticipated cash flow requirements. The portfolio will not have an average duration exceeding 4 years.

**REPORTING** – The Director of Finance and County Manager shall provide to the Macon-Bibb County Commission quarterly investment reports which provide a clear picture of the status of the current investment portfolio. The management report should include comments of the fixed income markets and economic conditions, discussions regarding restrictions on percentage of investment by categories, possible changes in the portfolio structure going forward and thoughts of investment strategies. Schedules in the quarterly report should include the following:

- a) A listing of individual securities held at the end of the reporting period by authorized investment category
- b) Average life and final maturity of all investments listed
- c) Coupon, discount or earnings rate
- d) Par value, amortized book value and market value

e) Percentage of the portfolio represented by each investment category

**PERFORMANCE STANDARDS** – The investment portfolio shall be designated with the objective of obtaining a rate of return throughout the budgetary and economic cycles, commensurate with the investment risk constraints and cash flow needs. Macon-Bibb County's investment strategy can be either active or passive depending on the fund and objectives. The basis to determine whether market yields are being achieved shall be the average daily FED fund rates and the six-month U.S. Treasury bill.

**ETHICS AND CONFLICTS OF INTEREST** – Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution to the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the County Manager any material financial interest in financial institutions that conduct business within Macon-Bibb County, and shall further disclose any large personal financial/investment positions that could be related to the performance of Macon-Bibb County, particularly with regard to the time of purchases and sales.

**PRUDENCE** – Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

**APPROVED AND ADOPTED:**

This 16<sup>th</sup> day of April, 2014.

Robert A. B. Reichert  
Robert A.B. Reichert, Mayor of Macon-Bibb County

ATTEST: Shelia Thurmond  
Shelia Thurmond, Clerk of Macon-Bibb County Commission