



AGENDA MEMORANDUM

DATE: February 25, 2025

TO: Finance and Administration Committee

FROM: Ben Haberthur, Executive Director
Dave Petschke, Director of Finance

SUBJECT: Presentation and Approval of a Contract Extension for Money Manager Services from Sawyer Falduto Asset Management, LLC.

PURPOSE:

The purpose of this memorandum is to provide the Committee with information to consider extending the agreement with Sawyer Falduto Asset Management, LLC.

BACKGROUND:

In June of 2015, the Commission approved a two-year contract for money manager services with Sawyer Falduto Asset Management, LLC based on results of an RFP. This contract was extended by the board in April 2017 for an additional 8 years, which will be expiring in June, 2025. Their proposal included a guaranteed fee of 0.15% of market value of assets under management for a period of ten years. Included within this fee are the following:

- Investment Policy drafting, review and updating as needed
- Acceptance of Fiduciary Responsibility
- Fixed Income Management
- Coordination of Custodial Services
- Monthly Statements via Schwab Institutional
- On-line Access via Schwab Institutional
- Quarterly Performance Reports
- Attendance at Quarterly Board Meetings or with Finance Department
- Direct Access to the Sawyer Falduto Managing Partners

Staff reviewed all investment performance for the 2024 calendar year as provided below.

<u>Investment</u>	<u>Amount Invested</u>	<u>Net Annualized Return</u>
Sawyer Falduto Asset Management, LLC	\$4,649,008	4.7%
IMET Convenience Fund (Money Market)	Varies	5.02%

FINANCIAL IMPACT:

Sawyer Falduto Asset Management, LLC. have agreed to lock in their guaranteed fee of 0.15% of market value of assets under management for an additional 10-year period. Staff believes that this extension would increase investment returns and better utilize funds that are designed to be set aside for a longer period. All investments made by Sawyer Falduto can be sold on the open market if the District needed access to the funds.

RECOMMENDATION:

Staff recommends the Committee approve a ten-year contract extension with Sawyer Falduto Asset Management, LLC for money management services.

ATTACHMENT: None