

**CITY OF SIGNAL HILL
NOTICE INVITING PROPOSALS**

INVESTMENT MANAGEMENT AND INVESTMENT ADVISORY SERVICES

The City of Signal Hill (“City”) is soliciting proposals from qualified investment advisory firms (“Consultant(s)”) for Investment Management and Advisory Services (“Services”). The City will receive electronic proposals only by no later than 5:00 PM on March 31, 2026. Proposals shall be valid for 90 calendar days after the submission deadline. The Services generally consist of investment management and investment advisory services. The City is seeking a three (3)-year contract with the option to extend for two additional one-year terms at the City’s sole discretion.

Proposals must be submitted in accordance with the City’s Request for Proposals (“RFP”), which is available to registered contractors through the City’s electronic bid management system, Planet Bids, by selecting “Bids and Proposals” on the home page or following the link provided: INSERT LINK FROM PLANET BIDS. The “Contract Documents” may be downloaded at no charge. Contract Documents will not be available for sale at City Hall. Proposals must be submitted in electronic format through the City’s electronic bid management system. The electronic bid management system will not accept late proposals. Electronic modifications to or withdrawal of proposals may be made by the Respondent prior to the proposal closing deadline.

A contract shall be awarded, if at all, to the best qualified Consultant. The Consultant shall be a registered Investment Advisor as defined and regulated by the Securities and Exchange Commission (SEC) under the Investment Advisor’s Act of 1940, shall be registered to provide investment advisory services in the State of California and meet all criteria defined in the Scope of Work. Determination of the best qualified Consultant will be made solely by the City on criteria determined by the City. The decision of the City shall be final. In its discretion, the City may reject any proposal, abandon the solicitation, or re-advertise. The City reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the City.

For further information, contact the Administrative Services Officer/Finance Director, Siamlu Cox at scox@cityofsignalhill.org.

END OF NOTICE INVITING PROPOSALS

REQUEST FOR PROPOSALS (RFP)

FOR

Investment Management and Advisory Services



CITY OF SIGNAL HILL

Finance Department
2175 Cherry Avenue
Signal Hill, CA 90755
(562-989-7300) | cityofsignalhill.org

Contact:
Siamlu Cox
*Administrative Services Officer/
Finance Director*
scox@cityofsignalhill.org
(562) 989-7312

KEY RFP DATES (Subject to Change):

Issue Date:	March 1, 2026
Deadline for Questions:	March 15, 2026
Proposal Due Date:	March 31, 2026
In-Person Oral Interviews (if necessary):	April 10, 2026
Anticipated Contract Award:	April 21, 2026

I. BACKGROUND

The City of Signal Hill (“City”) is requesting proposals from investment advisory firms for portfolio management services.

The City’s current investment portfolio is approximately \$107 million in operating funds (non- pension funds).

The City of Signal Hill (“City”) is located in Los Angeles County, California, in the area commonly referred to as Signal Hill with a population of approximately 11,450. The City of Signal Hill covers 2.2 square miles, surrounded by the City of Long Beach. The City was incorporated in 1924, a few years after the discovery of oil, and is a Charter City. The City of Signal Hill's fiscal year begins on July 1 and ends on June 30.

The City operates under the Council/Manager form of government with five members of the City Council that are elected at-large. Members of the City Council serve staggered four-year terms, with the Mayor being selected annually from among the Council Members. The City Council meets on the second and fourth Tuesdays of each month.

City Hall is located at 2175 Cherry Avenue Signal Hill, CA 90755. The telephone number is 562-989-7300, and the fax is 562-989-7393. The City website address is <http://www.cityofsignalhill.org>.

II. INVESTMENT PROGRAM

The City’s Statement of Investment Policy (Attachment A) is based on the principles of prudent money management and California law relating to the investment of public funds. The primary objective of the City’s Statement of Investment Policy is to ensure the safety of invested funds; secondary to safety is the sufficiency of liquid cash to meet ongoing obligations. The Statement of Investment Policy also aims to achieve a market rate of return on its investments. The City purchases investments with the intent to hold until maturity but does not preclude sales before maturity if it can be demonstrated that the transaction will benefit the portfolio. The City has been reinvesting matured investments in the State of California’s Local Agency Investment Fund (LAIF), the California Asset Management Program (CAMP), the California Liquid Asset Securities System (CLASS), and the California Fixed Income Trust (CalFIT) investment pool, in preparation for transitioning the investment portfolio management services to an investment advisory firm. Responsibility for the investment program is assigned to the Finance Director. Investments, except those invested in external pools, are held in a separate safekeeping account with Wells Fargo Bank. (Attachment B) contains the City’s investment report for the month ended December 31, 2025.

The City's Statement of Investment Policy (Attachment A) is incorporated into this Request for Proposals by reference and shall govern all investment activities performed by the selected investment advisory firm. Proposers shall acknowledge full compliance with the Investment Policy and with California Government Code Section 53600 et seq.

When discretionary investment authority is delegated, the investment advisory firm shall operate strictly within the authorized investment types, maturity limits, diversification requirements, broker/dealer selection criteria, reporting standards, and cost apportionment provisions set forth in the City's Investment Policy, as amended from time to time by the City Council.

III. PURPOSE

The City of Signal Hill is seeking proposals from qualified firms to:

- Provide comprehensive investment services to handle the day-to-day administration of the City's investment portfolio;
- Provide discretionary investment advisory services to help govern the City's investment portfolio, currently valued at approximately \$107 million; and
- Review the City's Statement of Investment Policy each year and provide recommendations for changes to the City's Statement of Investment Policy to comply with changes in State law and/or other changes the investment advisory firm recommends City staff consider.

All investment advisory services provided under this Request for Proposals shall be performed in a fiduciary capacity consistent with California Government Code Section 53600 et seq. The investment advisory firm shall act solely in the best interests of the City, with the primary objectives of safety of principal, liquidity to meet operational needs, and yield consistent with safety and liquidity, in that order of priority. These objectives reflect the statutory investment standards applicable to local agencies in the State of California and shall govern all discretionary investment decisions made on behalf of the City.

IV. SCOPE OF SERVICES

The City is seeking proposals from qualified investment advisory firms to provide professional services in managing a customized investment program. The services described in this section shall be performed within the framework of the City's Statement of Investment Policy, applicable provisions of the California Government Code, and recognized best practices for public fund investment management.

The City's investment objectives are (1) Safety of principal; (2) Liquidity; and (3) Yield. The City's current Statement of Investment Policy is attached as Attachment A to this Request for Proposals.

1) Authorized Investment Framework

All investments shall comply with California Government Code Section 53601 and the City's Statement of Investment Policy. Permitted investments include, but are not limited to:

- U.S. Treasury securities and U.S. Government agency obligations
- Federally backed mortgage-related securities
- State of California Local Agency Investment Fund (LAIF)
- County investment pools and authorized joint powers authority pools
- Investment-grade municipal securities
- Certificates of Deposit, medium-term notes, bankers' acceptances
- Commercial paper, including maturities up to 397 days, subject to statutory limits
- SEC-registered money market mutual funds
- Authorized supranational securities and zero-interest instruments

Prohibited investments include equities, derivatives not expressly authorized by statute, inverse or interest-only structures, REITs, and speculative or highly leveraged instruments. Portfolio percentage limits, maturity constraints, and diversification requirements shall be governed by the City's Statement of Investment Policy and California law.

2) Delegation of Investment Authority

Pursuant to California Government Code Section 53601, the City may delegate discretionary investment authority to the selected investment advisory firm. Any such delegation shall be documented annually, approved by the City Council, and may be revoked by the City at any time, with or without cause.

The initial delegation term shall not exceed one (1) year and shall be subject to annual renewal. While discretionary authority is in effect, the investment advisory firm shall provide monthly and quarterly investment reports in accordance with California law, CDIAC guidance, and the City's Statement of Investment Policy (Attachment A).

3) Scope of Professional Services

Specific tasks, although not all-inclusive, to be performed by the selected firm are as follows:

- Assist the City with maturity analysis;
- Provide credit analysis of investment instruments in the portfolio;
- Provide monthly and quarterly investment reports for the City's investment portfolio in compliance with California Government Code, CDIAC guidance, and the City's Statement of Investment Policy, including market value verification, safekeeping reconciliation, liquidity analysis, and portfolio compliance certifications;
- Attend quarterly meetings with City staff or City Council (subject to the Finance Director's preference);
- Cooperate fully with any audit or review requested by the City, City Council, or external auditors;
- Address any identified compliance deficiencies;
- Evaluate market risk and develop strategies that minimize the impact on the portfolio;
- Provide assurance of portfolio compliance with applicable policies and laws and the City's Investment Policy;
- Establish an appropriate performance benchmark;
- Indicate full understanding of the City's Investment Policy; and
- Ensure the portfolio structure matches the City's objectives.

4) Contract Objectives

Under this contract, the City's objectives are:

- To adhere to the objectives set forth in the City's Statement of Investment Policy;
- To provide for operational efficiency, including the information flow on the City's investment portfolio;
- To improve the City's investment capabilities; and
- To improve the overall yield on the City's investment portfolio.

5) Legislative and Regulatory Updates

The investment advisory firm shall remain current with legislative and regulatory changes affecting public fund investments, including statutory amendments reflected in CDIAC guidance for 2025–2026 and subsequent updates. Investment strategies, authorized instruments, and reporting practices shall incorporate applicable changes to California law, including updated provisions related to commercial paper maturities, expanded authorized securities, and enhanced financial reporting requirements.

V. PROPOSAL SUBMISSIONS REQUIREMENTS AND RESPONSE FORMAT

The Consultant is responsible for preparing an effective, clear, and concise proposal. In order to be considered for selection, vendors must submit a complete response to the *Request for Proposal* that includes the following mandatory information and/or requirements in the following format. Responses must 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. Failure to provide any of the information requested below may result in the proposal being rejected.

1) Cover Letter

The purpose of the cover letter is to introduce the Firm and the individual who will be the primary contact person for the proposal. The cover letter should be signed by an individual who is authorized to bind the Firm in a contract agreement. In addition, the cover letter should include the following:

A statement confirming whether or not the Firm agrees to the terms provided in the City's Sample Professional Services Agreement, including the City's insurance requirements outlined in Section 3.2.1 of the Agreement (Exhibit D). The Firm should explicitly indicate whether or not the Firm requires any modifications to the terms of the sample agreement and whether the Firm can comply with the City's insurance requirements.

A statement acknowledging whether any addenda to the RFP have been received.

A statement affirming that the proposal is a firm offer good for a ninety (90) calendar-day period beginning on March 31, 2026.

2) Firm Background and Organization

Describe the organization, date founded, and ownership of your Firm. Has your Firm experienced a material change in organizational structure, ownership, or management during the past three years? If so, please describe.

Describe any other business affiliations. Describe your Firm's policy on soft dollars.

Describe the Firm's sources of revenue, categorized by retail and institutional accounts.

Is your Firm a registered investment advisory under the

Investment Advisor's Act of 1940 as amended?

Describe any SEC, FINRA, or regulatory censure or litigation involving your Firm or its employees within the past three years. The proposal should explicitly state whether any such situations occurred.

Did you, or will you, pay a finder's fee to any third party for business related to this account? Specify the recipients of any fee.

Outline the errors and omissions (professional liability) and fidelity bond coverage your Firm carries. Provide a valid, current Certificate of Insurance.

Identify the types of accounts primarily sought by your Firm.

If you are hired, will your Firm serve as a fiduciary in your role as an investment advisor to the City while providing the investment management services we are seeking? If no, describe your objections or limitations.

3) Experience

Describe your Firm's experience in managing fixed income portfolios for public funds and governmental entities.

What is your Firm's experience in developing policies and portfolio management guidelines for government portfolios?

How is your Firm compensated for the services it provides? Does your Firm act as a broker/dealer, or receive any other form of additional compensation (including soft dollars) for the client transactions aside from the direct fee paid by clients?

Provide the number and types of accounts, total asset value, and composition of portfolios currently being managed by your Firm.

4) Personnel

Identify and provide resumes for the team that will be assigned to work on the City of Signal Hill's investment portfolio. Describe each person's role on the team.

Resumes should include the number of years at your Firm, total years of experience, professional licenses and designations, and the number of accounts managed.

Identify the investment professionals (portfolio managers,

analysts, and researchers) employed by your Firm, by classification, and specify the average number of accounts handled by portfolio managers. Are there any established limits on accounts or assets under management?

Describe your Firm's training and education efforts to keep portfolio managers informed of developments relevant to government investment managers.

Has there been any turnover of professional staff in the Firm in the last three years who were assigned to public sector clients?

5) Assets Under Management

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/Endowments	\$	\$
Equity Funds	\$	\$
Other (specify)	\$	\$
Total	\$	\$

Summarize your assets under management (institutional only) over the past five years and average assets per client.

Provide relevant performance statistics on a comparable portfolio and compare with industry averages or benchmarks for the last one, three, five, ten-year periods and/or since inception. Note whether these performance statistics are reported based on GIPS (Global Investment Performance Standards) formerly known as AIMR (Association for Investment Management and Research).

How many accounts have you gained in the last 12 months? How many accounts have been lost in the last 12 months and why?

6) Investment Management Approach and Discipline

Briefly describe your Firm's investment management philosophy, including your approach to managing governmental portfolios.

How frequently do you formulate and review fixed income strategy? How is that carried out, and who is involved?

What are the primary strategies for adding value to portfolios (e.g., market timing, credit research, trading)?

How are portfolios managed (e.g., by team, individual manager)? What is the backup when the manager is away?

What oversight is provided to portfolio managers?

Describe how your Firm selects broker/dealers with which to trade and how their performance is evaluated.

Describe your Firm's in-house technical and research capabilities. Are outside sources used by the Firm regularly? Describe your credit review process.

What percentage of your research is conducted in-house?

Describe your Firm's research capability.

What technical analysis (if any) do you use?

What role does interest-rate forecasting play in your portfolio management strategy?

How will you handle fluctuating cash?

Describe the ongoing daily investment procedures proposed for, including procedures for trades, security choice, controls, etc., and how you will provide liquidity.

Describe your Firm's electronic and manual controls surrounding compliance with the City's investment policy.

Given the City's current investment portfolio inventory, describe your Firm's work plan for the first 60 days of the contract. What changes would you make to the City's investment policy or portfolio holdings and why?

7) Reporting

Describe the investment accounting and reporting system used by

your Firm.

Is a client portal available? If so, what kind of information is available in the client portal and for how long?

Describe your Firm's trade settlement and account reconciliation process.

Specify whether our Firm's reports are reconciled with the City's safekeeping account and how.

The investment advisory firm shall provide monthly and quarterly investment reports suitable for inclusion in the City's Investment Reports to the City Council. Quarterly reports shall be delivered within forty-five (45) days following quarter-end and shall include, at a minimum: investment type and issuer; par value, amortized cost, and market value; maturity date and remaining term; a statement of compliance with the City's Statement of Investment Policy and applicable provisions of the California Government Code; a six-month liquidity certification; and verification of market valuation and safekeeping reconciliation.

Firms shall describe the format of reports to be provided, the timing of monthly report delivery, and attach sample monthly and quarterly reports. (For example, when could the City expect to receive its reports for the month ended January 31, 2026?) Attach a sample.

What performance benchmarks would you suggest for this portfolio? Provide recommendations regarding performance benchmarks for a portfolio similar to that of the City of Signal Hill. What experience has the Firm had in developing benchmarks for public operating portfolios?

8) Fees

Provide the complete fee schedule that would apply to this account. Please provide examples of assessed fees in the chart below:

Investments (\$)	Annual Fee (%)	Annual Fee (\$)
\$10 million		
\$25 million		
\$50 million		
\$100 million		
Over \$100 million		

Are fees charged in arrears? Please specify the billing cycle (e.g.,

monthly, quarterly) and payment terms.

What additional expenses not covered through the fee structure will be expected in order to implement your investment advisory services?

9) References

List the name, address, telephone number, and email of references from at least three (3) current clients similar in size and scope to the City. Include a brief description of the work provided for each reference and the size of the entity's investment portfolio that your Firm manages (or managed). California municipal or county projects are preferred. You may offer more than three recent similar projects if desired. The references should include the start date of the project and the date of completion for each project.

10) Additional Information

Provide a copy of your Firm's most recent ADV Parts 1 and 2 on file with the SEC.

Provide a copy of your Firm's most recent Annual Compliance Report (completed in accordance with Rule 206(4)-7 of the Investment Advisers Act).

Provide a copy of your Firm's most recent GIPS Composite Report and Verification Letter.

Describe your Firm's business continuity plan, how often it is updated, and what assistance would be available to the government.

Describe your Firm's technological controls, including:

- a) Physical access;
- b) Logical access;
- c) Change controls; and
- d) Remote access, including use of mobile devices.

Include a description of how the Firm is prepared to defend its systems from a cyberattack.

Briefly describe any additional features, attributes, or conditions which the City should consider in selecting your Firm. Describe any other services your Firm can provide.

Firm shall comply with all applicable provisions of the California

Government Code relating to ethics, conflicts of interest, and gift limitations, including the Political Reform Act.

The Firm shall disclose any actual or potential conflicts of interest upon proposal submission and annually thereafter, and shall certify ongoing compliance with fiduciary and ethical obligations applicable to public agency investment advisors.

Submit one (1) electronic copy of the proposal in PDF format to Siamlu Cox via email at scox@cityofsignalhill.org.

VI. SELECTION PROCESS

The following criteria will be used as the weighting basis for evaluation of the proposals and the award recommendation:

- 1) Understanding of the City's overall investment program, investment objectives and unique constraints;
- 2) Magnitude of exceptions to the City's standard professional services agreement, including insurance requirements;
- 3) Experience, resources, and qualifications of the Firm and individuals assigned to this account;
- 4) Experience of the Firm in managing state/local government portfolios. In evaluating the Firm's experience, past performance data will be evaluated in the context of portfolio objectives and constraints, as well as risks;
- 5) Recommended approach to management of the portfolio;
- 6) Fees; and
- 7) The respondent's understanding of the scope of services required includes demonstrated abilities to coordinate delivery of the services and understanding of the needs and operational requirements of the City.

The City reserves the right to conduct periodic performance reviews, compliance audits, and independent evaluations of the investment advisory firm's services. The awarded Firm may not be the lowest price proposal. The City will choose the Firm submitting the best and most responsive overall proposal to satisfy its needs.

Questions Concerning The RFP

Questions and requests for clarification and/or explanation regarding any

aspect of this RFP should be addressed to Siamlu Cox via email at scox@cityofsignalhill.org no later than 5:00 p.m. on March 15, 2026. Questions submitted after this time will not receive a response. Submitted questions must list the following title in the subject line “RFP for Investment Management and Investment Advisory Services”.

Respondents shall email Siamlu Cox at the email indicated above to indicate their interest in receiving any City-issued responses. The questions submitted and the written responses will be released in the form of an addenda and will be sent via email response to all respondents who have indicated via email their interest in receiving City responses.

Proposals must be received by Siamlu Cox via email only at scox@cityofsignalhill.org no later than 5:00 p.m. on March 31, 2026. Submitted proposals must list the following title in the subject line “RFP for Investment Management and Investment Advisory Services”.

VII. GENERAL INFORMATION

The City of Signal Hill reserves the right to reject any or all proposals and will not be liable for any costs incurred by responding Firms relating to the preparation and submittal of proposals, making of initial presentation to the City, negotiating a contract for services, or any other expense incurred by the bidder prior to the date of an executed contract. In addition, no bidder shall include any such expenses as part of the price proposed to conduct the scope of work for this project.

The City reserves the right to expand or diminish the scope of the work subject to negotiation with the successful bidder.

The City is not required to select the proposal that may indicate the lowest price or costs. The City expressly reserves the right to reject all proposals at its sole discretion and opinion, without indicating any reason(s) for such rejection. If all proposals are rejected, the City may or may not request additional proposals. The City may withdraw this RFP at any time without advance notice.

The successful Firm shall not transfer the responsibility for any part of their contractual obligation without prior written approval of the City Manager of the City of Signal Hill.

In the event it becomes necessary to revise any part of this Request for Proposal, addenda will be provided in writing to all consultants receiving the Request for Proposal from the City.