

FINANCE COMMITTEE REPORT
Re: Investment Advisory Services

In 1999, after an Audit Committee (now Finance Committee) review, the County changed investment advisory firms from Bank One to Institutional Capital Management. After the passage of several years, it was appropriate to review the market for investment advisory services. A request for proposals for investment advisory services was prepared and circulated to providers of such services. Three responses were received. The current provider, Institutional Capital Management, Inc., as well as Dana Investment Advisors, Inc. and RBC Dain Rauscher made proposals.

The County invests the bulk of its money on hand in the Local Government Investment Pool (LGIP). In 2006, the LGIP average balance was about \$24 million. The current investment advisory firm, Investment Capital Management, Inc., managed an average of \$11.5 million during 2006. Another \$3.6 million was invested in AIM, which closely parallels the LGIP investment.

Using an average of \$11,555,561 for the ICM balance in 2006, investment advisory fees based on the proposals received were ICM, \$29,549; Dana, \$36,937; RBC Dain Rauscher, \$73,873. After the opportunity to review the proposals, the Committee interviewed representatives from ICM and Dana Investment Advisors given the obvious cost advantages of using their services. After interviewing both parties and considering historical investment returns, as well as other advantages and disadvantages of using each firm, the Committee determined that it was advantageous at this time to continue to use the services of Institutional Capital Management, Inc. to invest a minimum of \$10 million per year according to the County's Investment Policy. There is no long-term contract with Institutional Capital Management, Inc. The County can change investment advisory firms at its discretion. The Finance Committee will review this subject again in the future.

(Along with reviewing the investment advisory firm options, the Investment Policy has also been reviewed, with changes proposed as follows in the next agenda item.)

Dated: June 14, 2007.

FINANCE COMMITTEE

By

Ron Buchanan, Chair

John Molinaro

Marvin Munyon

Pam Rogers

Sharon Schmeling

Jefferson County
Investment Advisor Rating Totals

By Score

Name	Rater 1	Rater 2	Rater 3	Rater 4	Rater 5	Rater 6	Total	
Ehlers	85	65	55	75	80		360	
DANA	90	125	100	85	105		505	1st Choice
ICM	80	70	60	65	70		345	
PMA	75	50	75	70	75		345	
PFM	90	95	90	80	95		450	2nd Choice
BMO	85	65	80	75	85		390	
Cutler	60	55	45	60	55		275	
Columbia	60	45	40	50	50		245	
Wells Fargo	70	65	55	55	60		305	
Spring Water	45	40	10	45	45		185	

By Ranking

Name	Rater 1	Rater 2	Rater 3	Rater 4	Rater 5	Rater 6	Total	
Ehlers	3	4	6	3	4		20	
DANA	1	1	1	1	1		5	1st Choice
ICM	4	3	5	5	6		23	
PMA	5	7	4	4	5		25	
PFM	2	2	2	2	2		10	2nd Choice
BMO	3	4	3	3	3		16	
Cutler	7	5	7	6	8		33	
Columbia	7	6	8	8	9		38	
Wells Fargo	6	4	6	7	7		30	
Spring Water	8	8	9	9	10		44	

Fiber optic Bid								
4/7/15 update								
Consultant Recommends:								
1. Abandon Milwaukee to Candice								
2. Select Courthouse to Sheriff								
3. Select Wisconsin to Fairgrounds								
Project	Bid	From Bid Labor	Materials	Project Management	Total	Less Budget	Contingency Needed	Account Number
Sheriff Tower	Leg 1	43,076	7,213	6,900	57,189	0	57,189	2006.594821
Fair Park	Leg 4	62,042	9,467	8,500	80,009	51,007	29,002	6901.594821
Total		105,118	16,680	15,400	137,198	51,007	86,191	