

City of Fort Lauderdale
City Commission Agenda Item

#12-1280

TO: Honorable Mayor & Members
Fort Lauderdale City Commission

FROM: Lee Feldman, City Manager

DATE: August 21, 2012

TITLE: Appointment of Bond and Disclosure Counsel for the Issuance of Pension Obligation Bonds

Recommendation

Approve resolution appointing Squire Sanders (US) LLP as Bond Counsel and Steve Bullock, P.A. as Disclosure Counsel for the issuance of Taxable Special Obligation Bonds, Series 2012 (Pension Funding Project) not to exceed \$340 million.

Background

On July 10, 2012, the City Commission discussed at Conference the issuance of Taxable Special Obligation Bonds, Series 2012, for General Employees and Police & Firefighters Retirement Systems. The bonds will fund the Unfunded Actuarial Accrued Liability (UAAL) at a rate of 75% for both defined benefit pension plans.

The debt issuance requires that Bond Counsel and Disclosure Counsel be retained. Because of the recommended firms' extensive knowledge of debt issuances and of the City's debt in particular, Squire Sanders (US) LLP is the recommended firm as Bond Counsel and Steve Bullock, P.A. as Disclosure Counsel.

The fees for the Bond Counsel are as follows: \$1.10 per \$1,000, for the first \$100 million; \$1.00 per \$1,000, for over \$100 million to \$200 million; and \$0.90 per \$1,000 for over \$200 million. Fees for Disclosure Counsel is 80 percent of Bond Counsel. Based on a maximum \$340 million bond issue, costs would be \$336,000 for Bond Counsel and \$268,800 for Disclosure Counsel .

Resource Impact

The expenses for bond and disclosure counsel will be funded from bond proceeds as cost of issuance.

Attachment

Resolution No. 12-__