

**AGREEMENT FOR  
FINANCIAL ADVISORY SERVICES**

THIS AGREEMENT, made this 19<sup>th</sup> day of February, 2019, is by and between the City of Fort Lauderdale, a Florida municipality, (“City” or "Client"), whose address is 100 North Andrews Avenue, Fort Lauderdale, Florida, 33301, and PFM Financial Advisors LLC, a Delaware limited liability company authorized to transact business in the State of Florida, (“Contractor” or “PFM”), whose address is 300 S. Orange Avenue, Suite 1170, Orlando, Florida 32801, Phone: 407-648-2208, Email: moored@pfm.com.

NOW THEREFORE, for and in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the City and the Contractor covenant and agree as follows:

WITNESSETH:

**I. DOCUMENTS**

The following documents (collectively “Contract Documents”) are hereby incorporated into and made part of this Agreement (Form P-0001):

- (1) Request for Proposals No. 12184-695, FINANCIAL ADVISORY SERVICES, including any and all addenda, prepared by the City of Fort Lauderdale, (“RFP” or “Exhibit A”).
- (2) The Contractor’s response to the RFP, dated October 9, 2018, (“Exhibit B”).
- (3) The Contractor’s Best and Final Offer, dated January 3, 2019, (“Exhibit C”).
- (4) The Contractor's Registered Municipal Advisor; Required Disclosures, (“Exhibit D”).

All Contract Documents may also be collectively referred to as the “Documents.” In the event of any conflict between or among the Documents or any ambiguity or missing specifications or instruction, the following priority is established:

- A. First, specific direction from the City Manager (or designee)
- B. Second, this Agreement (Form P-0001) dated February 19, 2019, and any attachments.
- C. Third, Exhibit A
- D. Fourth, Exhibit C
- E. Fifth, Exhibit B
- F. Sixth, Exhibit D

**II. SCOPE**

The Contractor shall perform the work under the general direction of the City as set forth in the Contract Documents.

Unless otherwise specified herein, the Contractor shall perform all work identified in this Agreement. The parties agree that the scope of services is a description of Contractor’s

obligations and responsibilities, and is deemed to include preliminary considerations and prerequisites, and all labor, materials, equipment, and tasks which are such an inseparable part of the work described that exclusion would render performance by Contractor impractical, illogical, or unconscionable.

Contractor acknowledges and agrees that the City's Contract Administrator has no authority to make changes that would increase, decrease, or otherwise modify the Scope of Services to be provided under this Agreement.

By signing this Agreement, the Contractor represents that it thoroughly reviewed the documents incorporated into this Agreement by reference and that it accepts the description of the work and the conditions under which the Work is to be performed.

### **III. TERM OF AGREEMENT**

The initial contract period shall commence on February 19, 2019, and shall end on February 18, 2022. The City reserves the right to extend the contract for two additional one-year terms, providing all terms conditions and specifications remain the same, both parties agree to the extension, and such extension is approved by the City. In the event the term of this Agreement extends beyond the end of any fiscal year of City, to wit, September 30th, the continuation of this Agreement beyond the end of such fiscal year shall be subject to both the appropriation and the availability of funds

### **IV. COMPENSATION**

The Contractor agrees to provide the services and/or materials as specified in the Contract Documents at the cost specified in Exhibit C. It is acknowledged and agreed by Contractor that this amount is the maximum payable and constitutes a limitation upon City's obligation to compensate Contractor for Contractor's services related to this Agreement. This maximum amount, however, does not constitute a limitation of any sort upon Contractor's obligation to perform all items of work required by or which can be reasonably inferred from the Scope of Services. Except as otherwise provided in the solicitation, no amount shall be paid to Contractor to reimburse Contractor's expenses.

### **V. METHOD OF BILLING AND PAYMENT**

Contractor may submit invoices for compensation no more often than monthly, but only after the services for which the invoices are submitted have been completed. An original invoice plus one copy are due within fifteen (15) days of the end of the month except the final invoice which must be received no later than sixty (60) days after this Agreement expires. Invoices shall designate the nature of the services performed and/or the goods provided.

City shall pay Contractor within forty-five (45) days of receipt of Contractor's proper invoice, as provided in the Florida Local Government Prompt Payment Act.

To be deemed proper, all invoices must comply with the requirements set forth in this Agreement and must be submitted on the form and pursuant to instructions prescribed by the City's Contract Administrator. Payment may be withheld for failure of Contractor to comply with a term, condition, or requirement of this Agreement.

Notwithstanding any provision of this Agreement to the contrary, City may withhold, in whole or in part, payment to the extent necessary to protect itself from loss on account of inadequate or defective work that has not been remedied or resolved in a manner satisfactory to the City's Contract Administrator or failure to comply with this Agreement. The amount withheld shall not be subject to payment of interest by City.

## **VI. GENERAL CONDITIONS**

### **A. Indemnification**

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City and the City's officers, employees, volunteers, and agents from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any act or omission by the Contractor or by any officer, employee, agent, invitee, subcontractor, or sublicensee of the Contractor. The provisions and obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the City Manager, any sums due Contractor under this Agreement may be retained by City until all of City's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved, and any amount withheld shall not be subject to payment of interest by City.

### **B. Intellectual Property**

Contractor shall protect and defend at Contractor's expense, counsel being subject to the City's approval, and indemnify and hold harmless the City from and against any and all losses, penalties, fines, damages, settlements, judgments, claims, costs, charges, royalties, expenses, or liabilities, including any award of attorney fees and any award of costs, in connection with or arising directly or indirectly out of any infringement or allegation of infringement of any patent, copyright, or other intellectual property right in connection with the Contractor's or the City's use of any copyrighted, patented or un-patented invention, process, article, material, or device that is manufactured, provided, or used pursuant to this Agreement. If the Contractor uses any design, device, or materials covered by letters, patent or copyright, it is mutually agreed and understood without exception that the bid prices shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work.

### **C. Termination for Cause**

The aggrieved party may terminate this Agreement for cause if the party in breach has not corrected the breach within ten (10) days after written notice from the aggrieved party identifying the breach. The City Manager may also terminate this Agreement upon such notice as the City Manager deems appropriate under the circumstances in the event the City Manager determines that termination is necessary to protect the public health or safety. The parties agree that if the City erroneously, improperly or unjustifiably terminates for cause, such termination shall be deemed a termination for convenience, which shall be effective thirty (30) days after such notice of termination for cause is provided.

This Agreement may be terminated for cause for reasons including, but not limited to, Contractor's repeated (whether negligent or intentional) submission for payment of false or incorrect bills or invoices, failure to perform the Work to the City's satisfaction; or

failure to continuously perform the work in a manner calculated to meet or accomplish the objectives as set forth in this Agreement.

**D. Termination for Convenience**

The City reserves the right, in its best interest as determined by the City, to cancel this contract for convenience by giving written notice to the Contractor at least thirty (30) days prior to the effective date of such cancellation. In the event this Agreement is terminated for convenience, Contractor shall be paid for any services performed to the City's satisfaction pursuant to the Agreement through the termination date specified in the written notice of termination. Contractor acknowledges and agrees that he/she/it has received good, valuable and sufficient consideration from City, the receipt and adequacy of which are hereby acknowledged by Contractor, for City's right to terminate this Agreement for convenience.

**E. Cancellation for Unappropriated Funds**

The City reserves the right, in its best interest as determined by the City, to cancel this contract for unappropriated funds or unavailability of funds by giving written notice to the Contractor at least thirty (30) days prior to the effective date of such cancellation. The obligation of the City for payment to a Contractor is limited to the availability of funds appropriated in a current fiscal period, and continuation of the contract into a subsequent fiscal period is subject to appropriation of funds, unless otherwise provided by law.

**F. Insurance**

As a condition precedent to the effectiveness of this Agreement, during the term of this Agreement and during any renewal or extension term of this Agreement, the Contractor, at the Contractor's sole expense, shall provide insurance of such types and with such terms and limits as noted below. Providing proof of and maintaining adequate insurance coverage are material obligations of the Contractor. The Contractor shall provide the City a certificate of insurance evidencing such coverage. The Contractor's insurance coverage shall be primary insurance for all applicable policies. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under this Agreement. All insurance policies shall be from insurers authorized to write insurance policies in the State of Florida and that possess an A.M. Best rating of A-, VII or better. All insurance policies are subject to approval by the City's Risk Manager.

The coverages, limits, and endorsements required herein protect the interests of the City, and these coverages, limits, and endorsements may not be relied upon by the Contractor for assessing the extent or determining appropriate types and limits of coverage to protect the Contractor against any loss exposure, whether as a result of this Agreement or otherwise. The requirements contained herein, as well as the City's review or acknowledgement, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Contractor under this Agreement.

The following insurance policies and coverages are required:

**Commercial General Liability**

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury, Property Damage, and Personal and Advertising Injury
- \$1,000,000 each occurrence and \$2,000,000 aggregate for Products and Completed Operations

Policy must include coverage for Contractual Liability and Independent Contractors.

The City and the City's officers, employees, and volunteers are to be covered as additional insureds with a CG 20 26 04 13 Additional Insured – Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage with respect to liability arising out of activities performed by or on behalf of the Contractor. The coverage shall contain no special limitation on the scope of protection afforded to the City or the City's officers, employees, and volunteers.

#### Business Automobile Liability

Coverage must be afforded for all Owned, Hired, Scheduled, and Non-Owned vehicles for Bodily Injury and Property Damage in an amount not less than \$1,000,000 combined single limit each accident.

If the Contractor does not own vehicles, the Contractor shall maintain coverage for Hired and Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy.

#### Workers' Compensation and Employer's Liability

Coverage must be afforded per Chapter 440, Florida Statutes. Any person or entity performing work for or on behalf of the City must provide Workers' Compensation insurance. Exceptions and exemptions will be allowed by the City's Risk Manager, if they are in accordance with Florida Statute.

The Contractor waives, and the Contractor shall ensure that the Contractor's insurance carrier waives, all subrogation rights against the City and the City's officers, employees, and volunteers for all losses or damages. The City requires the policy to be endorsed with WC 00 03 13 Waiver of our Right to Recover from Others or equivalent.

The Contractor must be in compliance with all applicable State and federal workers' compensation laws, including the U.S. Longshore Harbor Workers' Act and the Jones Act, if applicable.

#### Insurance Certificate Requirements

- a. The Contractor shall provide the City with valid Certificates of Insurance (binders are unacceptable) no later than thirty (30) days prior to the start of work contemplated in this Agreement.
- b. The Contractor shall provide to the City a Certificate of Insurance having a thirty (30) day notice of cancellation; ten (10) days' notice if cancellation is for nonpayment of premium.
- c. In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of the Contractor to provide the proper notice. Such notification will be in writing by registered mail, return receipt requested, and addressed to the certificate holder.

- d. In the event the Agreement term goes beyond the expiration date of the insurance policy, the Contractor shall provide the City with an updated Certificate of Insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. The City reserves the right to suspend the Agreement until this requirement is met.
- e. The Certificate of Insurance shall indicate whether coverage is provided under a claims-made or occurrence form. If any coverage is provided on a claims-made form, the Certificate of Insurance must show a retroactive date, which shall be the effective date of the initial contract or prior.
- f. The City shall be named as an Additional Insured on all liability policies, with the exception of Workers' Compensation.
- g. The City shall be granted a Waiver of Subrogation on the Contractor's Workers' Compensation insurance policy.
- h. The title of the Agreement, Bid/Contract number, event dates, or other identifying reference must be listed on the Certificate of Insurance.

The Certificate Holder should read as follows:

City of Fort Lauderdale  
100 N. Andrews Avenue  
Fort Lauderdale, FL 33301

The Contractor has the sole responsibility for the payment of all insurance premiums and shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, co-insurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, co-insurance penalty, self-insured retention, or coverage exclusion or limitation. Any costs for adding the City as an Additional Insured shall be at the Contractor's expense.

If the Contractor's primary insurance policy/policies do not meet the minimum requirements, as set forth in this Agreement, the Contractor may provide evidence of an Umbrella/Excess insurance policy to comply with this requirement.

The Contractor's insurance coverage shall be primary insurance as applied to the City and the City's officers, employees, and volunteers. Any insurance or self-insurance maintained by the City covering the City, the City's officers, employees, or volunteers shall be non-contributory.

Any exclusion or provision in the insurance maintained by the Contractor that excludes coverage for work contemplated in this Agreement shall be unacceptable and shall be considered breach of contract.

All required insurance policies must be maintained until the contract work has been accepted by the City, or until this Agreement is terminated, whichever is later. Any lapse in coverage shall be considered breach of contract. In addition, Contractor must provide to the City confirmation of coverage renewal via an updated certificate should any policies expire prior to the expiration of this Agreement. The City reserves the right to review, at any time, coverage forms and limits of Contractor's insurance policies.

The Contractor shall provide notice of any and all claims, accidents, and any other occurrences associated with this Agreement shall be provided to the Contractor's insurance company or companies and the City's Risk Management office as soon as practical.

It is the Contractor's responsibility to ensure that any and all of the Contractor's independent contractors and subcontractors comply with these insurance requirements. All coverages for independent contractors and subcontractors shall be subject to all of the applicable requirements stated herein. Any and all deficiencies are the responsibility of the Contractor.

Professional Liability and/or Errors and Omissions

Coverage must be afforded for Wrongful Acts in an amount not less than \$1,000,000 each claim and \$2,000,000 aggregate.

Contractor must keep insurance in force until the third anniversary of expiration of this Agreement or the third anniversary of acceptance of work by the City.

**G. Environmental, Health and Safety**

Contractor shall place the highest priority on health and safety and shall maintain a safe working environment during performance of the work. Contractor shall comply, and shall secure compliance by its employees, agents, and subcontractors, with all applicable environmental, health, safety and security laws and regulations, and performance conditions in this Agreement. Compliance with such requirements shall represent the minimum standard required of Contractor. Contractor shall be responsible for examining all requirements and determine whether additional or more stringent environmental, health, safety and security provisions are required for the work. Contractor agrees to utilize protective devices as required by applicable laws, regulations, and any industry or Contractor's health and safety plans and regulations, and to pay the costs and expenses thereof, and warrants that all such persons shall be fit and qualified to carry out the Work.

**H. Standard of Care**

Contractor represents that he/she/it is qualified to perform the work, that Contractor and his/her/its subcontractors possess current, valid state and/or local licenses to perform the Work, and that their services shall be performed in a manner consistent with that level of care and skill ordinarily exercised by other qualified contractors under similar circumstances.

**I. Rights in Documents and Work**

Any and all reports, photographs, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of City; and Contractor disclaims any copyright in such materials. In the event of and upon termination of this Agreement, any reports, photographs, surveys, and other data and documents prepared by Contractor, whether finished or unfinished, shall become the property of City and shall be delivered by Contractor to the City's Contract Administrator within seven (7) days of termination of this Agreement by either party. Any compensation due to Contractor shall be withheld until Contractor delivers all documents to the City as provided herein.

**J. Audit Right and Retention of Records**

City shall have the right to audit the books, records, and accounts of Contractor and Contractor's subcontractors that are related to this Agreement. Contractor shall keep, and

Contractor shall cause Contractor's subcontractors to keep, such books, records, and accounts as may be necessary in order to record complete and correct entries related to this Agreement. All books, records, and accounts of Contractor and Contractor's subcontractors shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, Contractor or Contractor's subcontractor, as applicable, shall make same available at no cost to City in written form.

Contractor and Contractor's subcontractors shall preserve and make available, at reasonable times for examination and audit by City in Broward County, Florida, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for the required retention period of the Florida public records law, Chapter 119, Florida Statutes, as may be amended from time to time, if applicable, or, if the Florida Public Records Act is not applicable, for a minimum period of three (3) years after termination of this Agreement. If any audit has been initiated and audit findings have not been resolved at the end of the retention period or three (3) years, whichever is longer, the books, records, and accounts shall be retained until resolution of the audit findings. If the Florida public records law is determined by City to be applicable to Contractor and Contractor's subcontractors' records, Contractor and Contractor's subcontractors shall comply with all requirements thereof; however, Contractor and Contractor's subcontractors shall violate no confidentiality or non-disclosure requirement of either federal or state law. Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for City's disallowance and recovery of any payment upon such entry.

Contractor shall, by written contract, require Contractor's subcontractors to agree to the requirements and obligations of this Section.

The Contractor shall maintain during the term of the contract all books of account, reports and records in accordance with generally accepted accounting practices and standards for records directly related to this contract.

**K. Public Entity Crime Act**

Contractor represents that the execution of this Agreement will not violate the Public Entity Crime Act, Section 287.133, Florida Statutes, as may be amended from time to time, which essentially provides that a person or affiliate who is a contractor, consultant, or other provider and who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to City, may not submit a bid on a contract with City for the construction or repair of a public building or public work, may not submit bids on leases of real property to City, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with City, and may not transact any business with City in excess of the threshold amount provided in Section 287.017, Florida Statutes, as may be amended from time to time, for category two purchases for a period of 36 months from the date of being placed on the convicted vendor list. Violation of this section shall result in termination of this Agreement and recovery of all monies paid by City pursuant to this Agreement, and may result in debarment from City's competitive procurement activities.

**L. Independent Contractor**

Contractor is an independent contractor under this Agreement. Services provided by Contractor pursuant to this Agreement shall be subject to the supervision of the Contractor. In providing such services, neither Contractor nor Contractor's agents shall act as officers, employees, or agents of City. No partnership, joint venture, or other joint relationship is created hereby. City does not extend to Contractor or Contractor's agents any authority of any kind to bind City in any respect whatsoever.

**M. Inspection and Non-Waiver**

Contractor shall permit the representatives of CITY to inspect and observe the Work at all times.

The failure of the City to insist upon strict performance of any other terms of this Agreement or to exercise any rights conferred by this Agreement shall not be construed by Contractor as a waiver of the City's right to assert or rely on any such terms or rights on any future occasion or as a waiver of any other terms or rights.

**N. Assignment and Performance**

Neither this Agreement nor any right or interest herein shall be assigned, transferred, or encumbered without the written consent of the other party. In addition, Contractor shall not subcontract any portion of the work required by this Agreement, except as provided in the Schedule of Subcontractor Participation. City may terminate this Agreement, effective immediately, if there is any assignment, or attempted assignment, transfer, or encumbrance, by Contractor of this Agreement or any right or interest herein without City's written consent.

Contractor represents that each person who will render services pursuant to this Agreement is duly qualified to perform such services by all appropriate governmental authorities, where required, and that each such person is reasonably experienced and skilled in the area(s) for which he or she will render his or her services.

Contractor shall perform Contractor's duties, obligations, and services under this Agreement in a skillful and respectable manner. The quality of Contractor's performance and all interim and final product(s) provided to or on behalf of City shall be comparable to the best local and national standards.

In the event Contractor engages any subcontractor in the performance of this Agreement, Contractor shall ensure that all of Contractor's subcontractors perform in accordance with the terms and conditions of this Agreement. Contractor shall be fully responsible for all of Contractor's subcontractors' performance, and liable for any of Contractor's subcontractors' non-performance and all of Contractor's subcontractors' acts and omissions. Contractor shall defend at Contractor's expense, counsel being subject to City's approval or disapproval, and indemnify and hold City and City's officers, employees, and agents harmless from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, by or in favor of any of Contractor's subcontractors for payment for work performed for City by any of such subcontractors, and from and against any claim, lawsuit, third party action, fine, penalty, settlement, or judgment, including any award of attorney fees and any award of costs, occasioned by or arising out of any act or omission

by any of Contractor 's subcontractors or by any of Contractor's subcontractors' officers, agents, or employees. Contractor's use of subcontractors in connection with this Agreement shall be subject to City's prior written approval, which approval City may revoke at any time.

**O. Conflicts**

Neither Contractor nor any of Contractor's employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with Contractor's loyal and conscientious exercise of judgment and care related to Contractor's performance under this Agreement.

Contractor further agrees that none of Contractor's officers or employees shall, during the term of this Agreement, serve as an expert witness against City in any legal or administrative proceeding in which he, she, or Contractor is not a party, unless compelled by court process. Further, Contractor agrees that such persons shall not give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or prejudicial to the interests of City in connection with any such pending or threatened legal or administrative proceeding unless compelled by court process. The limitations of this section shall not preclude Contractor or any persons in any way from representing themselves, including giving expert testimony in support thereof, in any action or in any administrative or legal proceeding.

In the event Contractor is permitted pursuant to this Agreement to utilize subcontractors to perform any services required by this Agreement, Contractor agrees to require such subcontractors, by written contract, to comply with the provisions of this section to the same extent as Contractor.

**P. Schedule and Delays**

Time is of the essence in this Agreement. By signing, Contractor affirms that it believes the schedule to be reasonable; provided, however, the parties acknowledge that the schedule might be modified as the City directs.

**Q. Materiality and Waiver of Breach**

City and Contractor agree that each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the parties in exchange for *quid pro quo*, that each is substantial and important to the formation of this Agreement and that each is, therefore, a material term hereof.

City's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

**R. Compliance With Laws**

Contractor shall comply with all applicable federal, state, and local laws, codes, ordinances, rules, and regulations in performing Contractor's duties, responsibilities, and obligations pursuant to this Agreement.

**S. Severance**

In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the provisions not having been found by a court of competent jurisdiction to be invalid or unenforceable shall continue to be effective.

**T. Limitation of Liability**

The City desires to enter into this Agreement only if in so doing the City can place a limit on the City's liability for any cause of action for money damages due to an alleged breach by the City of this Agreement, so that its liability for any such breach never exceeds the sum of \$1,000. Contractor hereby expresses its willingness to enter into this Agreement with Contractor's recovery from the City for any damage action for breach of contract or for any action or claim arising from this Agreement to be limited to a maximum amount of \$1,000 less the amount of all funds actually paid by the City to Contractor pursuant to this Agreement.

Accordingly, and notwithstanding any other term or condition of this Agreement, Contractor hereby agrees that the City shall not be liable to Contractor for damages in an amount in excess of \$1,000 which amount shall be reduced by the amount actually paid by the City to Contractor pursuant to this Agreement, for any action for breach of contract or for any action or claim arising out of this Agreement. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed upon City's liability as set forth in Section 768.28, Florida Statutes.

**U. Jurisdiction, Venue, Waiver, Waiver of Jury Trial**

This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for any lawsuit by either party against the other party or otherwise arising out of this Agreement, and for any other legal proceeding, shall be in the Seventeenth Judicial Circuit in and for Broward County, Florida, or in the event of federal jurisdiction, in the Southern District of Florida, Fort Lauderdale Division.

In the event Contractor is a corporation organized under the laws of any province of Canada or is a Canadian federal corporation, the City may enforce in the United States of America or in Canada or in both countries a judgment entered against the Contractor. The Contractor waives any and all defenses to the City's enforcement in Canada of a judgment entered by a court in the United States of America.

**V. Amendments**

No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless contained in a written document prepared with the same or similar formality as this Agreement and executed by the Mayor-Commissioner and/or City Manager, as determined by City Charter and Ordinances, and Contractor or others delegated authority to or otherwise authorized to execute same on their behalf.

**W. Prior Agreements**

This document represents the final and complete understanding of the parties and incorporates or supersedes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein. The parties agree that there is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document. Accordingly, the

parties agree that no deviation from the terms hereof shall be predicated upon any prior representation or agreement, whether oral or written.

**X. Payable Interest**

Except as required and provided for by the Florida Local Government Prompt Payment Act, City shall not be liable for interest for any reason, whether as prejudgment interest or for any other purpose, and in furtherance thereof Contractor waives, rejects, disclaims and surrenders any and all entitlement it has or may have to receive interest in connection with a dispute or claim based on or related to this Agreement.

**Y. Representation of Authority**

Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

**Z. Uncontrollable Circumstances ("Force Majeure")**

The City and Contractor will be excused from the performance of their respective obligations under this agreement when and to the extent that their performance is delayed or prevented by any circumstances beyond their control including, fire, flood, explosion, strikes or other labor disputes, act of God or public emergency, war, riot, civil commotion, malicious damage, act or omission of any governmental authority, delay or failure or shortage of any type of transportation, equipment, or service from a public utility needed for their performance, provided that:

1. The non performing party gives the other party prompt written notice describing the particulars of the Force Majeure including, but not limited to, the nature of the occurrence and its expected duration, and continues to furnish timely reports with respect thereto during the period of the Force Majeure;
2. The excuse of performance is of no greater scope and of no longer duration than is required by the Force Majeure;
3. No obligations of either party that arose before the Force Majeure causing the excuse of performance are excused as a result of the Force Majeure; and
4. The non-performing party uses its best efforts to remedy its inability to perform. Notwithstanding the above, performance shall not be excused under this Section for a period in excess of two (2) months, provided that in extenuating circumstances, the City may excuse performance for a longer term. Economic hardship of the Contractor will not constitute Force Majeure. The term of the agreement shall be extended by a period equal to that during which either party's performance is suspended under this Section.

**AA. Scrutinized Companies**

Subject to *Odebrecht Construction, Inc., v. Prasad*, 876 F.Supp.2d 1305 (S.D. Fla. 2012), affirmed, *Odebrecht Construction, Inc., v. Secretary, Florida Department of*

*Transportation*, 715 F.3d 1268 (11th Cir. 2013), with regard to the “Cuba Amendment,” the Contractor certifies that it is not on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List or the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes (2018), as may be amended or revised, and that it is not engaged in a boycott of Israel, and that it does not have business operations in Cuba or Syria, as provided in section 287.135, Florida Statutes (2018), as may be amended or revised. The City may terminate this Agreement at the City’s option if the Contractor is found to have submitted a false certification as provided under subsection (5) of section 287.135, Florida Statutes (2018), as may be amended or revised, or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List or the Scrutinized Companies that Boycott Israel List created pursuant to Section 215.4725, Florida Statutes (2018), as may be amended or revised, or is engaged in a boycott of Israel or has been engaged in business operations in Cuba or Syria, as defined in Section 287.135, Florida Statutes (2018), as may be amended or revised.

**BB. Public Records**

**IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT CITY CLERK’S OFFICE, 100 N. ANDREWS AVENUE, FORT LAUDERDALE, FLORIDA, 33301, PHONE: 954-828-5002, EMAIL: PRRCONTRACT@FORTLAUDERDALE.GOV.**

Contractor shall:

1. Keep and maintain public records required by the City to perform the service.
2. Upon request from the City’s custodian of public records, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes (2018), as may be amended or revised, or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the Contractor does not transfer the records to the City.
4. Upon completion of the Contract, transfer, at no cost, to the City all public records in possession of the Contractor or keep and maintain public records required by the City to perform the service. If the Contractor transfers all public records to the City upon completion of the Contract, the Contractor shall destroy

any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City's custodian of public records, in a format that is compatible with the information technology systems of the City.

**CC. Non-Discrimination**

The Contractor shall not, in any of its activities, including employment, discriminate against any individual on the basis of race, color, national origin, religion, creed, sex, disability, sexual orientation, gender, gender identity, gender expression, or marital status.

1. The Contractor certifies and represents that it will comply with Section 2-187, Code of Ordinances of the City of Fort Lauderdale, Florida, as amended by Ordinance C-18-33 (collectively, "Section 2-187").
2. The failure of the Contractor to comply with Section 2-187 shall be deemed to be a material breach of this Agreement, entitling the City to pursue any remedy stated below or any remedy provided under applicable law.
3. The City may terminate this Agreement if the Contractor fails to comply with Section 2-187.
4. The City may retain all monies due or to become due until the Contractor complies with Section 2-187.
5. The Contractor may be subject to debarment or suspension proceedings. Such proceedings will be consistent with the procedures in section 2-183 of the Code of Ordinances of the City of Fort Lauderdale, Florida.

IN WITNESS WHEREOF, the City and the Contractor execute this Contract as follows:

ATTEST:

CITY OF FORT LAUDERDALE

\_\_\_\_\_  
Jeffrey A. Modarelli, City Clerk

By: \_\_\_\_\_  
Christopher J. Lagerbloom, ICMA-CM  
City Manager

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

WITNESSES:

PFM Financial Advisors LLC

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
John Bonow, Manager

\_\_\_\_\_  
Print Name

(COMPANY SEAL)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

STATE OF \_\_\_\_\_:

COUNTY OF \_\_\_\_\_:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2019, by John Bonow as Manager for PFM Financial Advisors LLC, a Delaware limited liability company authorized to transact business in the State of Florida.

(SEAL)

\_\_\_\_\_  
(Signature of Notary Public)  
Notary Public, State of \_\_\_\_\_

\_\_\_\_\_  
(Print, Type, or Stamp Commissioned Name of  
Notary Public)

Personally Known \_\_\_\_ OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

October 10, 2018

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# **City of Fort Lauderdale**

Financial Advisory Services

RFP # 12184-695

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PFM Financial  
Advisors LLC

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300 S Orange Avenue  
Suite 1170  
Orlando, Florida 32801  
407-648-2208

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2222 Ponce De Leon  
3rd Floor  
Coral Gables, FL 33134  
786-671-7480

## **ABOUT PFM**

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC and Public Financial Management, Inc. (collectively referred to herein as PFM's financial advisory business). Both are registered municipal advisors with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010. Investment advisory services are provided by PFM Asset Management LLC which is registered with the SEC under the Investment Advisers Act of 1940. Swap advisory services are provided by PFM Swap Advisors LLC which is registered as a municipal advisor with both the MSRB and SEC under the Dodd-Frank Act of 2010, and as a commodity trading advisor with the Commodity Futures Trading Commission. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. Institutional purchasing card services are provided through PFM Financial Services LLC. PFM's financial modelling platform for strategic forecasting is provided through PFM Solutions LLC.

For more information regarding PFM's services or entities, please visit [www.pfm.com](http://www.pfm.com).



October 10, 2018

Executive Summary

Maureen Lewis, Procurement Specialist  
City of Fort Lauderdale  
Procurement Services Division  
100 N. Andrews Avenue, #619  
Fort Lauderdale, FL 33301

RE: Request for Proposal for Financial Advisory Services

**pfm**

300 S Orange Avenue  
Suite 1170  
Orlando, FL 32801

pfm.com

Dear Ms. Lewis:

PFM Financial Advisors LLC appreciates the opportunity to submit our proposal to serve as financial advisor to the City of Fort Lauderdale (the "City"). Fort Lauderdale is a unique and vibrant city that continues to flourish while facing challenges ranging from sea level rise to sustainable economic development. Each challenge creates opportunities and PFM is prepared to assist the City with capitalizing on each of these opportunities. Our clients share similar challenges which is why we commit resources to help clients assess and understand Resiliency. One of our core principles is *Commitment + Curiosity = Sustainability*. Each of our core principles is both internal and external; internal in that the principles relate to how we function and approach projects and external in that we believe your challenges are our challenges. So, our Commitment to helping you meet your goals and objectives combined with the Curiosity to uncover every rock, leads to Sustainable client relationships for PFM and Sustainable communities for our clients.

From the outset, this commitment led PFM's financial advisory business to strive to be a financial advisor that is very different from our competitors; an independent financial advisor with technical resources matching those of the most sophisticated Wall Street investment banks. Local governments around the nation have responded to the focus, resulting in PFM's financial advisory business being the financial advisor Thomson Reuters ranks #1 in the nation as well as the State of Florida in terms of overall issues and par amount as of 12/31/2017. Our independence is significant, but it is just the beginning of our qualifications. Several of our key attributes whereby we seek to add value to clients are included below for the City's consideration.

**A Leading Advisor to Florida Cities.** PFM currently (as of October 1, 2018) serves as financial advisor to many Florida municipalities including: Boca Raton, Boynton Beach, Clermont, Coral Gables, Coral Springs, Daytona Beach, DeBary, Delray Beach, Gainesville, Jacksonville, Leesburg, Marco Island, Melbourne, Miami, Miami Gardens, Orlando, Ormond Beach, Palm Beach Gardens, Panama City Beach, Plantation, Pompano Beach, Riviera Beach, St. Petersburg, Stuart, Sunrise, Surfside, Tallahassee, Town of Palm Beach, West Palm Beach, Winter Garden, Winter Haven,



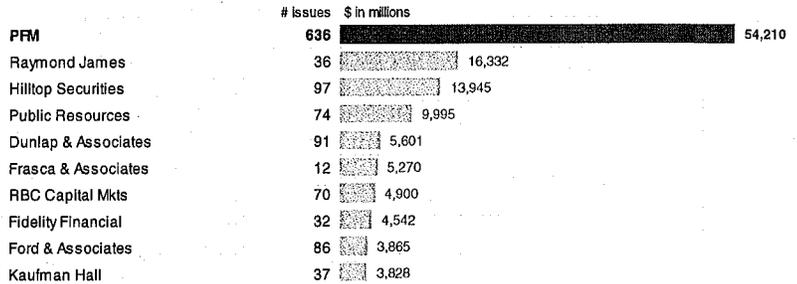
Winter Park, Winter Springs<sup>1</sup>. Why is this relevant to the City? We have in-depth knowledge of the issues facing local governments immediately surrounding the City as well as throughout the State. We are helping clients develop creative solutions to environmental challenges. We help finance reservoirs that will aid in cleaning the water leaving the Everglades. We also help clients develop creative strategies to implement assessments and other localized funding options.

**Innovative Team Approach.** We have committed our most senior resources to this opportunity to service the City. David Moore is the primary contact for this engagement. He leads the firm's Southern Cluster and brings the resources and insight gained from participating in our businesses that range geographically from Texas to Tennessee up the southern Atlantic coast. This exposure offers the City a wide range of perspectives regarding the approaches different entities take to managing their changing environment. James "Jay" Glover and Sergio Masvidal are two other partners in our Florida practice that will be available to the City at all times. This group has a combined tenure at PFM of over 50 years, which shows the stability of our practice even in the midst of significant turmoil in the financial services industry over the last decade.

**Track Record of Performance.**

We continue to provide our clients with what we believe to be highly effective services, as proven by our ranking as the #1 financial advisory firm in the country for the last 19 years and in Florida for the last 15 years (Source: Thomson

2008 - 2017 Florida Overall Long Term Municipal New Issues  
 Municipal Financial Advisory Ranking - Full Credit to Each Financial Advisor  
 Source: Ipreo MuniAnalytics



Reuters January 1, 2008 – December 31, 2017). As shown in the graphic, PFM has completed over 630 transactions in the State of Florida over the last 10 years, which is over 6 times as many as our closest competitor.

**Cost.** We have proposed fees that we believe are aggressive based on the level of service provided. Our focus is to provide cost effective service that results in significant ongoing savings to our clients. We hope to build a long, mutually beneficial relationship with the City and as such our fees are fully negotiable to better meet the needs of the City.

David Moore, Jay Glover and Sergio Masvidal are all authorized to make representations on behalf of PFM Financial Advisors LLC. Mr. Moore and Mr. Glover are located at 300 S.

<sup>1</sup> The partial client list is as of October 1, 2018 and is for informational purposes only. The client list provided does not constitute an endorsement or testimonial of services provided by PFM's financial advisory business. A full list of clients can be provided upon request.



Orange Avenue, Suite 1170; Orlando, Florida 32801. Mr. Masvidal is located at 2222 Ponce De Leon Blvd, 3rd Floor, Coral Gables, Florida 33134.

In closing and on behalf of PFM's financial advisory team, we are pleased to have this opportunity to present our qualifications and credentials to serve as financial advisor to the City. The City can be assured that this engagement is a high priority for us, and we are committed to dedicating the full range of PFM's exceptional services and resources. We believe PFM's financial advisory business' relevant experience and dedicated project team – as well as our decades of work in Florida, our national presence, our depth of knowledge, and our commitment to acting as a fiduciary for our clients – makes us the ideal choice as the City's strategic partner and financial advisor.

Sincerely,

David M. Moore  
Managing Director

James W. Glover  
Managing Director

Sergio Masvidal  
Managing Director



# Technical Proposal

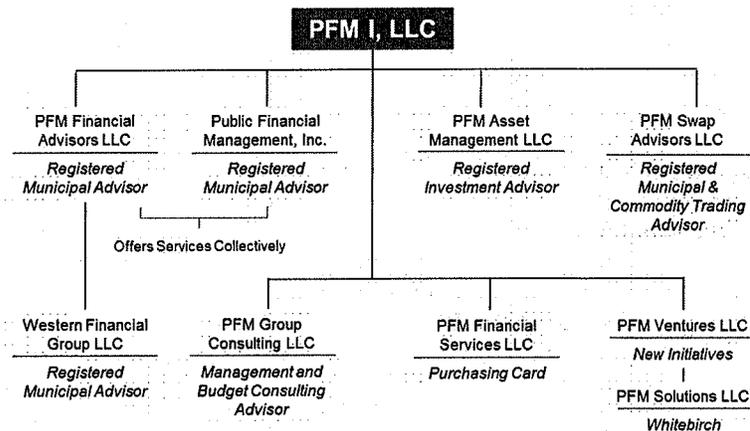
## 4.2.3 Experience and Qualifications

Indicate the firm's number of years of experience in providing the professional services as it relates to the work contemplated. Provide details of past projects for agencies of similar size and scope, including information on your firm's ability to meet time and budget requirements. Indicate the firm's initiatives towards its own sustainable business practices that demonstrate a commitment to conservation. Indicate business structure, i.e.: Corp., Partnership, LLC. Firm should be registered as a legal entity in the State of Florida; Minority or Women owned Business (if applicable); Company address, phone number, fax number, e-mail address, web site, contact person(s), etc. Relative size of the firm, including management, technical and support staff; licenses and any other pertinent information shall be submitted.

Public Financial Management, Inc. ("PFM, Inc.") was founded in 1975 to provide independent financial advisory services to the public sector. In 2014, as a result of the U.S. Securities and Exchange Commission's ("SEC's") new rules for Municipal Advisors (born out of Dodd-Frank) our firm's corporate structure was reorganized so that municipal advisory services could be delineated clearly from other financial consulting services. Accordingly, given the regulation of municipal advisory activities, financial advisory services are now offered through PFM Financial Advisors LLC ("PFMFA"), which commenced operations on June 1, 2016. Financial advisory relationships previously with PFM, Inc. have transitioned and been assigned from PFM, Inc. to PFMFA — which are collectively referred to as PFM's financial advisory business. This engagement will be serviced through PFMFA.

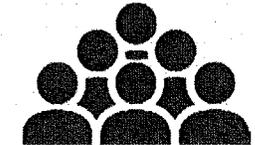
At PFM, financial advisors, swap advisors and asset managers partner with clients to transform their world. Our clients have individual needs and our tailored advice reflects this. We have the flexibility to support ambitious client endeavors with teams that provide the creativity and collaboration that define working with PFM. We combine superior financial advice, disciplined management and ingenuity to build and advance clients' goals. Our combined expertise in these areas is of essential importance to our ability to provide the highest quality of service and commitment to the City.

PFM is owned by the firm's 90 Managing Directors (as of October 1, 2018), who set the firm's strategic direction. Individual partners are responsible for specific practice areas and also personally manage specific client engagements. David Moore, engagement manager for the City's relationship, is one of the firm's Managing Directors and manages PFMFA's Southern Region. Jay Glover and Sergio Masvidal are also Managing Directors.





As of October 1, 2018, PFM consisted of more than 600 employees in 36 offices and professional locations throughout the United States and one office location in the United Kingdom. The combination of national municipal finance expertise and local presence provides PFM's financial advisory clients with a unique benefit: not only do we understand the regional and state factors that may affect our clients' financial situations, but we also can apply new and emerging municipal finance solutions from across the country.



600+ EMPLOYEES



36 LOCATIONS



PFM Financial Advisors LLC is a Limited Liability Company established in the state of Delaware. PFM's Florida team is comprised of 12 professional municipal advisors and will have primary responsibility for City's engagement. The core team is located in the Orlando and Coral Gables offices.

**Principal Office**

PFM Financial Advisors LLC  
1735 Market Street, 43<sup>rd</sup> Floor  
Philadelphia, PA 19103

**Primary Office**

PFM Financial Advisors LLC  
300 South Orange Avenue, Suite 1170  
Orlando, FL 32801

**Primary Contact and Engagement Manager**

**David M. Moore, Managing Director**

PFM Financial Advisors LLC  
300 South Orange Avenue, Suite 1170  
Orlando, FL 32801  
(407) 406-5751 / [moored@pfm.com](mailto:moored@pfm.com)

**Senior Project Support**

**James "Jay" Glover, Managing Director**

PFM Financial Advisors LLC  
300 South Orange Avenue, Suite 1170  
Orlando, FL 32801  
(407) 406-5760 / [gloverj@pfm.com](mailto:gloverj@pfm.com)

**Sergio Masvidal, Managing Director**

PFM Financial Advisors LLC  
2222 Ponce De Leon Blvd. 3<sup>rd</sup> Floor  
Coral Gables, FL 33134  
(786) 671-7480 / [masvidals@pfm.com](mailto:masvidals@pfm.com)

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, PFM Financial Advisors LLC is registered as a Municipal Advisor under regulations issued by the Securities Exchange Commission and the Municipal Securities Rulemaking Board.

**PFM Financial Advisors LLC**

Securities and Exchange Commission  
SEC File No: 867-02030

**Municipal Securities Rulemaking Board**

PFM's MSRB ID Number: K1162  
Registration Type: Municipal Advisor

PFM Financial Advisors is licensed to do business in Florida.  
Assigned document number: M1600004976.



### **Sustainable Business Practice**

PFM acknowledges that its business activities impact the environment and therefore PFM's Employee Handbook has a section specifically dedicated to green policies and initiatives. Our Green Policy is designed to minimize the severity of such impact and contains our guidelines on (a) resource and energy consumption, (b) waste reduction, (c) recycling, and (d) support for corporate and employee activities that balance the economic and environmental impact of our business activities. PFM is committed to being a responsible corporate steward of the environment shared by our employees and our clients. Additionally, we have printed our proposals double-sided on 30% post-consumer recycled content paper. The dividers used are FSC®- and SFI®-certified, 10% post-consumer recycled and Elemental Chlorine-free.

### **Diversity and Inclusion Initiative**

PFM has partnered with an independent human capital consultancy to build a firm-wide Diversity and Inclusion (D&I) strategy. Launching this strategy has promoted adoption of policies, practices, and philosophies in support of a diverse, inclusive, and fully optimized work environment at PFM. Our goals for this effort are to hire and retain a diverse workforce, more effectively collaborate with one other, build deeper relationships with our clients and future PFMers, and engage with our communities and future clients in an authentic and meaningful way.

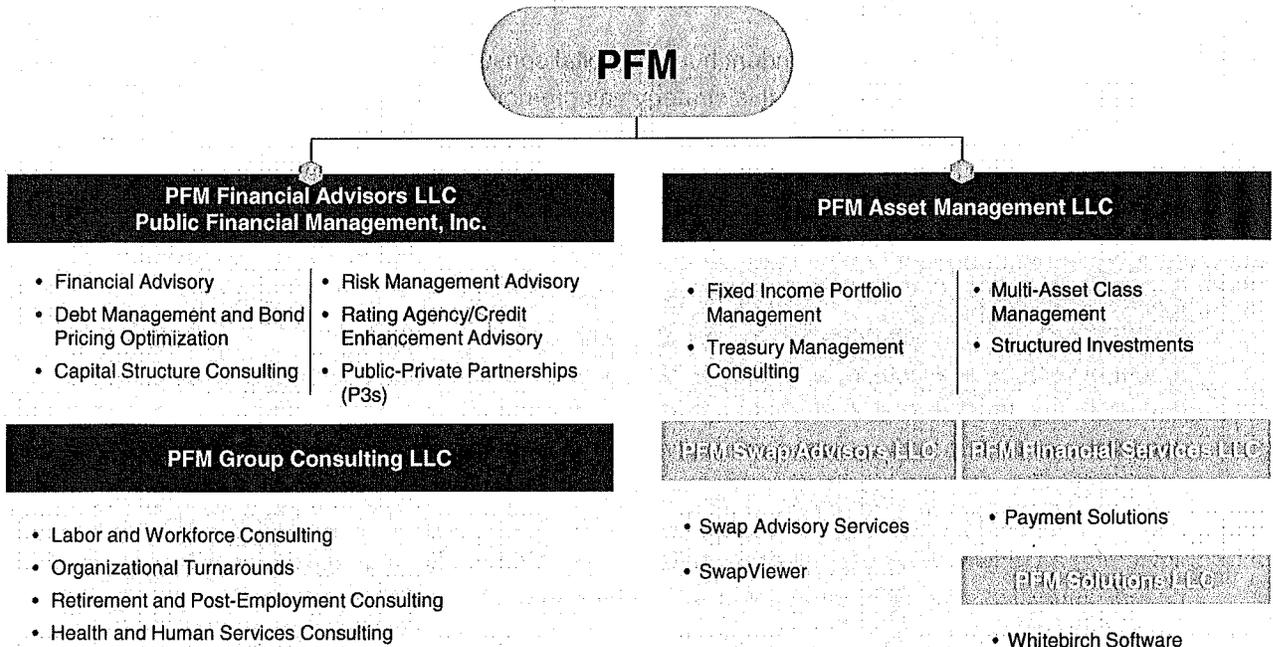
Since this initiative began, PFM leaders have considered the level of awareness, infrastructure, methodology and behaviors needed to support the firm's vision of a culture of inclusion. To date we have engaged in a needs assessment, strategy development sessions, annual employee trainings, and the development of a Diversity and Inclusion Strategy Council comprised of 19 PFMers, including our CEO John Bonow. The Council is tasked with delivering recommendations surrounding PFM's 4 D&I strategy pillars (Strategic Recruitment, Talent Development and Retention, Culture, and External Relationships), and has produced a number of foundational ideas and practices over the past year, including (but not limited to) a D&I Charter, best practices related to diversity recruitment, training on D&I topics such as unconscious bias, recommended annual D&I metrics, and recommendations for optimizing external partnerships.

We are pleased that the output of this process thus far has generated great insights and a renewed motivation to continue our journey of fostering a PFM culture where every PFMer and client is valued and excited about the opportunities to contribute to the firm's success.



## Scope of Services

As client's needs have evolved and expanded, PFM's financial advisory business has developed a wide range of expertise to assist clients. Each affiliate was created to provide the proper regulatory and operating structure. The core financial advisory services will be provided by our financial advisory team and will consist of bond or loan-transaction management, debt-portfolio optimization, capital planning, rating agency strategy, debt and financial policy development, among other services. At the same time, the City pursuant to defined tasks, separate agreements, and fees has access to the affiliates of PFM that assist with asset management, swap advisory, arbitrage rebate, verification reports and other related services. Each of these entities was created in an effort to offer clients services needed to address opportunities and challenges of an ever changing market landscape.



PFM Group includes Public Financial Management Inc. and PFM Financial Advisors LLC (collectively, PFM) both registered municipal advisors registered with the Securities and Exchange Commission ("SEC") and Municipal Securities Rulemaking Board ("MSRB") under the Dodd-Frank Act of 2010. PFM Asset Management LLC is registered with the SEC under the Investment Advisers Act of 1940. PFM Swap Advisors LLC is registered with SEC and MSRB as a municipal advisor and is registered as a Commodity Trading Advisor with the Commodity Futures Trading Commission. Services provided by affiliates of PFM are provided pursuant to separate agreement.



## National Market Leader

PFM's financial advisory business' national reputation and consistent growth are evident in our ranking as the nation's top financial advisor in terms of number of transactions and par amount for 19 straight years (Source: Thomson Reuters). From 2008-2017, we served as financial advisor on 9,480 transactions with a par amount in excess of \$781 billion (Source: Ipreo MuniAnalytics). Many firms may claim to be the top-ranked advisor, but we rely upon factual data from industry standard databases such as Thomson Reuters and Ipreo MuniAnalytics to demonstrate this standing.



### 2008 - 2017 Overall Long Term Municipal New Issues

Municipal Financial Advisory Ranking - Full Credit to Each Financial Advisor

Source: Ipreo MuniAnalytics

	# issues	\$ in millions
<b>PFM</b>	<b>9,480</b>	<b>781,826</b>
Public Resources	1,328	392,373
Hilltop Securities	9,805	345,149
Montague DeRose	300	124,510
Acacia Fin Group	1,067	108,727
RBC Capital Mkts	1,682	87,814
Piper Jaffray	1,982	80,400
Lamont Financial	320	75,838
Estrada Hinojosa	648	68,912
Kaufman Hall	517	67,826

## Florida Market Leader

Our national market presence is enhanced by our presence in the State of Florida being ranked #1 for 15 consecutive years (Source: Thomson Reuters). From 2008-2017, we served as financial advisor on 636 transactions with a par amount in excess of \$54.2 billion (Source: Ipreo MuniAnalytics). As such, we are extremely familiar with relevant Florida law and debt management practices.



### 2008 - 2017 Florida Overall Long Term Municipal New Issues

Municipal Financial Advisory Ranking - Full Credit to Each Financial Advisor

Source: Ipreo MuniAnalytics

	# issues	\$ in millions
<b>PFM</b>	<b>636</b>	<b>54,210</b>
Raymond James	36	16,332
Hilltop Securities	97	13,945
Public Resources	74	9,995
Dunlap & Associates	91	5,601
Frasca & Associates	12	5,270
RBC Capital Mkts	70	4,900
Fidelity Financial	32	4,542
Ford & Associates	86	3,865
Kaufman Hall	37	3,828



PFM's financial advisory business opened its first Florida office in 1986 and has been providing independent financial advisory services to Florida issuers for over 30 years. During this time we have developed an unmatched expertise in providing services to meet all of the financial needs of our clients. Our approach has resulted in the firm continuing to add new clients while maintaining existing clients, as shown in the table below, which provides a representative listing of our current Florida clients (as of October 1, 2018), with cities highlighted in the red box.

## PFM's FLORIDA CLIENTS

CITIES	COUNTIES	SCHOOL DISTRICTS	TRANSPORTATION
Alachua • Boca Raton Boynton Beach • Clermont Cocoa Beach • Coral Gables Coral Spring • Daytona Beach DeBary • Delray Beach Doral • Flagler Beach Fort Walton Beach Gainesville Green Cove Springs Hallandale Beach • Hialeah Jacksonville • Key West Lake Wales • Lake Worth Leesburg • Margate Madeira Beach Marco Island Melbourne • Miami • Miramar North Palm Beach Oldsmar • Orlando Ormond Beach • Palatka Palm Beach Palm Beach Gardens Panama City Beach Plantation • Pompano Beach Riviera Beach Satellite Beach • St. Augustine St. Petersburg • Sunrise Tallahassee • Temple Terrace Titusville • West Palm Beach Winter Haven • Winter Garden Winter Park • Winter Springs	Alachua • Bay Brevard • Broward Clay • Collier Flagler • Highlands Lake • Leon Marion • Miami-Dade Monroe • Orange Osceola • Palm Beach Sarasota • St. John's St. Lucie • Volusia Washington	Alachua • Broward Citrus • Columbia Duval • Flagler Hernando • Lake Manatee • Marion Martin • Miami-Dade Orange • Osceola Palm Beach Pasco • Polk Sarasota • Seminole Volusia • Walton	Central Florida Expressway Authority Jacksonville Aviation Authority Jacksonville Seaport Authority Lee County Port Authority Hillsborough County Aviation Authority Tampa Port Authority
	<b>STATE OF FLORIDA</b> Division of Bond Finance	<b>UTILITIES</b> Gainesville Regional Utilities Jacksonville Electric Authority Orlando Utilities Commission	<b>HEALTHCARE</b> Brooks Rehabilitation Jackson Health System LifeSouth Community Blood Centers North Broward Hospital District Orange County Health Facilities Authority Winter Park Health Foundation
	<b>SPECIAL DISTRICTS</b> Blueprint Intergovernmental Agency Boggy Creek Community Development District Greenway Community Development District Myrtle Creek Improvement District North Sumter County Utility Dependent District Sumter Landing Community Development District Village Community Development District	<b>HIGHER EDUCATION</b> Embry-Riddle Aeronautical University Flagler College Nova Southeastern University Ringling College of Art and Design Stetson University University of North Florida University of South Florida University of Tampa University of West Florida Florida Gulf Coast University	<b>OTHER AUTHORITIES</b> Sunshine State Governmental Financing Commission Tampa Bay Water South Florida Water Management District

**Note:** Client list as of October 1, 2018 is for informational purposes only and does not represent an endorsement or testimonial by clients of PFM's financial advisory services. PFM's financial advisory business consists of Public Financial Management Inc. and PFM Financial Advisors LLC. PFM Financial Advisors LLC commenced its operations on June 1, 2016. All financial advisory engagements prior to that date were effected through Public Financial Management, Inc., and are currently in the process of being assigned to PFM Financial Advisors LLC. Accordingly, PFM's financial advisory services referenced herein includes the experience of both firms.



## **Team Members**

PFM creates customized project teams for each engagement. In doing so, we take into account a number of factors, including the types of financings completed by a client, complexity of expected assignments, and geographic considerations. For the City, we have assembled a team that will work to meet the City's unique need for: (i) multi-faceted strategic advice rendered with strict independence; (ii) extensive experience processing financings; and (iii) the most sophisticated analytical and financial modeling support. The team outlined below is very familiar with the City and has demonstrated the ability to work effectively on a wide range of assignments.

**David Moore**, Managing Director and head of PFM's southern cluster, will serve as Engagement/ Account Manager for this relationship and will be responsible for engagement oversight on a day-to-day basis. As the Engagement Manager, Mr. Moore will take the lead role in providing the requested financial advisory services and be responsible for review of all work products completed by PFM. He is one of the most seasoned finance professionals in Florida providing financial advisory services to a vast array of cities, counties and school districts managing over \$20 billion of debt transactions since 1991.

**James "Jay" Glover**, Managing Director in PFM's Orlando office, will serve as Co-Project manager and will be responsible for providing senior support on day-to-day basis. Mr. Glover specializes in Florida municipal finance for cities, counties, school districts, and a variety of authorities. Mr. Glover has managed more than \$15 billion in financings over the last 18 years.

**Sergio Masvidal**, Managing Director in PFM's Coral Gables office, will serve as Co-Project manager and will be responsible for providing senior support on day-to-day basis. Mr. Masvidal has extensive experience, having actively managed over \$12 billion of bond transactions over 15 years. Mr. Masvidal's clients include a variety of Cities, Counties, School Districts, Special Taxing Districts, Utilities and Transportation Authorities. Mr. Masvidal is actively involved in South Florida community affairs, most recently serving as a committee member on the "Living with Water" panel sponsored by 100 Resilient Cities. There Mr. Masvidal served as co-chair for the finance and funding subcommittee and was tasked with identifying innovative funding solutions that could potentially be made available for sea level rise adaptation projects.

**Nicklas Rocca**, Senior Managing Consultant in the Orlando office will serve in the primary support role to the Project Managers and will be responsible for day-to-day technical analysis. Mr. Rocca has provided the transaction management services and technical support for a variety of our Florida clients over the last 10 years.

**Pedro "Pete" Varona**, Senior Managing Consultant in the Coral Gables office will provide technical support for the City's relationship. Mr. Varona has provided the transaction management services and technical support for many of the firm's Florida clients over the last 6 years.

**Laura Howe**, Senior Managing Consultant in the Orlando office will provide technical support for the City's relationship. Ms. Howe is a project manager and has provided client support on more than \$10 billion in debt financings. She has experience with Florida cities, counties, school districts, and 501(c)3 entities.

**Mara Lugo**, Analyst in the Orlando office will provide primary analytical and technical support for the engagement.



## David Moore, Managing Director

David Moore, Managing Director, works in PFM's Orlando office. Mr. Moore manages PFM's Southern region and is among the most active financial advisors in Florida, completing financings in excess of \$20 billion. During his professional career, Mr. Moore has worked as an engineer, investment banker, and financial advisor, focusing on public finance for more than 25 years, and joined PFM in 1998.

Mr. Moore has led multiple clients through credit upgrades, and currently advises Broward County, Orange County and Palm Beach County, which are all rated AAA. Mr. Moore's analytical foundation enables him to lead clients through complex structures and implement first-time credits to create client specific solutions. One of Mr. Moore's first time credits, the South Florida Water Management District, earned the Bond Buyer's Deal of the Year for 2007 for the first Certificate of Participation (COP) financing program for environmental restoration. The \$546 million financing also obtained a AAA rating (implied General Obligation). A sample of Mr. Moore's Florida client experience includes the cities of Boca Raton, Coral Gables, Daytona Beach, Gainesville, Jacksonville, Key West, Melbourne, Ormond Beach, Sunrise, St. Petersburg and Tallahassee.

Mr. Moore holds a Master of Business Administration degree, cum laude, from the Crummer School of Business at Rollins College and a Bachelor of Science in Electrical Engineering from Auburn University. He is a registered Municipal Advisor Representative (Series 50). Below are specific client references for Mr. Moore.

### Office Location

300 S. Orange Avenue  
Suite 1170  
Orlando, FL 32801

### Education

Master of Business Administration  
Crummer School of Business  
Rollins College

Bachelor of Science in Electrical  
Engineering  
Auburn University

### Professional Designations or Licenses

Municipal Advisor Representative  
(Series 50)

### Years with PFM

20 Years

### Years of Experience

25+ Years

Client Name	Client Contact	Services Provided
<b>City of Sunrise</b> 10770 West Oakland Park Blvd. Sunrise, FL 33351	<b>Wendy Dunbar</b> Director of Finance & Admin Services (954) 746-3297 <a href="mailto:WDunbar@sunrisefl.gov">WDunbar@sunrisefl.gov</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>School Board of Broward County</b> 600 Southeast Third Avenue, 10th Floor Fort Lauderdale, FL 33301	<b>Ivan Perrone</b> Chief Financial Officer (754) 321.1980 <a href="mailto:ivan.perrone@browardschools.com">ivan.perrone@browardschools.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>School Board of Palm Beach County</b> 3300 Forest Hill Boulevard Suite A-334 West Palm Beach, FL 33406	<b>Leanne Evans</b> Treasurer (561) 649-6885 <a href="mailto:EvansL@PalmBeach.k12.fl.us">EvansL@PalmBeach.k12.fl.us</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>Orange County</b> 201 South Rosalind Avenue Orlando, FL 32801	<b>Stephanie Taub</b> Assistant Manager (407) 836-5915 <a href="mailto:stephanie.taub@ocfl.net">stephanie.taub@ocfl.net</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>City of Jacksonville</b> 117 W. Duval Street Jacksonville, FL 32202	<b>Joey Greive</b> Treasurer (904) 630-5940 <a href="mailto:pjgreive@coj.net">pjgreive@coj.net</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management



## James “Jay” Glover, Managing Director

Mr. Glover is a Managing Director in PFM's Orlando, Florida office. Mr. Glover has assumed an active role in providing project management services to clients throughout the Southeast. Over the last 18 years, Mr. Glover has been one of the most active financial advisors in the southeast in terms of both total par amount and number of transactions completed (over 500 transactions with a par amount in excess of \$15 billion). He has taken an active role in working with clients on new money issuances, refundings, pooled financings, conduit borrowings, derivative products analyses, and innovative financing solutions.

The clients that Mr. Glover serves are located in the southeast and include cities, counties, school districts, and a variety of authorities. His project finance experience includes water and sewer, economic development, transportation, education, public power, solid waste, and special assessment programs. Mr. Glover currently serves as project manager on engagements with the Cities of Boca Raton, Delray Beach, Town of Palm Beach, Palm Beach Gardens, Hallandale Beach, Coral Gables, Panama City Beach, Marco Island, Melbourne, Cocoa Beach, St. Petersburg, Gainesville, Ormond Beach, Winter Haven, Winter Garden, and Winter Park.

Mr. Glover has worked with the City of Boca Raton, Florida to help improve its water and sewer system ratings to AAA/Aaa/AAA, making it the highest rated system in the country. In addition, Mr. Glover recently assisted the City of Coral Gables with regaining its AAA/Aaa/AAA status that was lost in 2004 when reserves were spent down below acceptable levels for this rating category.

Mr. Glover is an active sponsor and past speaker for the Florida Association of Counties, Florida School Finance Officers Association and Florida Government Finance Officers Association. He is a registered Municipal Advisor Representative (Series 50). Below are specific client references for Mr. Glover.

### Office Location

300 S. Orange Avenue  
Suite 1170  
Orlando, FL 32801

### Education

Master of Business  
Administration University of  
South Carolina  
Bachelor of Science in Business  
Administration  
College of Charlestown

### Professional

#### Designations or Licenses

Municipal Advisor  
Representative (Series 50)

#### Years with PFM

18+ Years

#### Years of Experience

18+ Years

Client Name	Client Contact	Services Provided
<b>City of Boca Raton</b> 201 West Palmetto Park Road Boca Raton, FL 33432	<b>Linda Davidson</b> Financial Services Director (561) 393-7737 <a href="mailto:ldavidso@ci.boca-raton.fl.us">ldavidso@ci.boca-raton.fl.us</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>City of St. Petersburg</b> One Fourth Street N. 5th FL St. Petersburg, FL 33701	<b>Anne Fritz</b> Finance Director 727-892-5113 <a href="mailto:anne.fritz@stpete.org">anne.fritz@stpete.org</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>City of Coral Gables</b> 405 Biltmore Way Coral Gables, FL 33114	<b>Diana Gomez</b> Finance Director (305) 460-5275 <a href="mailto:dgomez@coralgables.com">dgomez@coralgables.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Special Assessment Implementation, Credit Rating Management
<b>City of Port St. Lucie</b> 121 SW Port St. Lucie Blvd. Port St. Lucie, FL 34984	<b>Jeff Snyder</b> Chief Financial Officer (772) 871-7391 <a href="mailto:JSnyder@cityofpsl.com">JSnyder@cityofpsl.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>Town of Palm Beach</b> 360 South County Road Palm Beach, FL 33480	<b>Jane Le Clairche</b> Director of Finance 561-835-4724 <a href="mailto:jstruder@townofpalmbeach.com">jstruder@townofpalmbeach.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Special Assessment Implementation, Credit Rating Management



## Sergio Masvidal, Managing Director

Sergio Masvidal has assumed an active role in providing technical financial advisory support to clients throughout Florida and the Southeast, with a primary focus in South Florida. Mr. Masvidal is one of the most active financial advisors in Florida in terms of both total par amount and number of transactions completed. Mr. Masvidal has extensive experience, having actively managed over \$12 billion of bond transactions over the last 15 years. Mr. Masvidal's clients include a variety of Cities, Counties, School Districts, Special Taxing Districts, Utilities and Transportation Authorities.

In his role as project manager, Mr. Masvidal devotes a significant amount of time providing financial advisory services to cities in South Florida and along the east coast. Mr. Masvidal has expertise in project financing, having helped develop long-term financing plans that create innovative and cost effective structures. Part of this process includes a comprehensive evaluation of available security pledges and complicated strategic issues, as well as providing guidance on credit structures and developing the credit agency approach for issuers. Mr. Masvidal is also part of PFM's Environmental Resiliency team, and has served as co-chair to 100RC initiatives in South Florida.

Mr. Masvidal graduated from Muhlenberg College in May of 2002, where he earned his Bachelor of Arts in Psychology. He is a registered Municipal Advisor Representative (Series 50). Below are specific client references for Mr. Masvidal.

### Office Location

2222 Ponce De Leon Boulevard  
Third Floor  
Coral Gables, FL 33134

### Education

Bachelor of Arts in Psychology  
Muhlenberg College

### Professional Designations or Licenses

Municipal Advisor Representative  
(Series 50)

### Years with PFM

15 Years

### Years of Experience

15 Years

Client Name	Client Contact	Services Provided
<b>City of West Palm Beach</b> 401 Clematis Street, 5th Floor West Palm Beach, FL 33401	<b>Donna Levengood</b> Fiscal Services Manager (561) 494-1050 <a href="mailto:dlevengood@wpb.org">dlevengood@wpb.org</a>	Financial Advisory, Long-Term Planning, Budget Forecast, Debt Structuring and Optimization, Credit Rating Management
<b>City of Plantation</b> 400 NW 73 Avenue Plantation, FL 33317	<b>Anna Otiniano</b> Finance Director (954) 797-2213 <a href="mailto:Aotiniano@plantation.org">Aotiniano@plantation.org</a>	Financial Advisory, Long-Term Planning, Budget Forecast, Debt Structuring and Optimization, Credit Rating Management
<b>City of Pompano Beach</b> 100 W. Atlantic Blvd., Room 480 Pompano Beach, FL 33060	<b>Suzette Sibble</b> Finance Director (954) 786-4680 <a href="mailto:suzette.sibble@copbfl.com">suzette.sibble@copbfl.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Pledged Security Analysis, Credit Rating Management, Ad Valorem planning
<b>City of Miami</b> 444 SW Second Avenue Miami, FL 33130	<b>Erica Paschal</b> Finance Director (305) 416-1328 <a href="mailto:Epaschal@miamigov.com">Epaschal@miamigov.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, Ad Valorem planning
<b>City of Doral</b> 8401 NW 53rd Terrace Doral, FL 33166	<b>Matilde Menendez</b> Finance Director (305) 593-6725 <a href="mailto:matilde.menendez@cityofdoral.com">matilde.menendez@cityofdoral.com</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, Ad Valorem planning



## Nicklas Rocca, Senior Managing Consultant

Nicklas Rocca, joined the Orlando office in May 2008. Mr. Rocca provides primary analytical and project management support for clients located throughout Florida. His daily responsibilities include structuring financings, pricing new money, refunding municipal bond issues, identifying and running analyses of refunding opportunities, and assessing debt structures for clients. Mr. Rocca also creates and assists in the development of specialized quantitative models used to help clients with their unique financings.

Mr. Rocca has been involved directly in more than 90 financings totaling more than \$4 billion in debt issuance for Florida clients. Some of his notable Florida clients include: the Cities of Clermont, Key West, Orlando and Sunrise; the School Boards of Duval County, and Citrus County; and Collier County and the Tampa Bay Water Regional Water Authority.

Mr. Rocca graduated from the University of Central Florida with a Bachelor of Science degree in Accounting. Mr. Rocca is a registered Municipal Advisor Representative (Series 50). Below are specific client references for Mr. Rocca.

### Office Location

300 S. Orange Avenue  
Suite 1170  
Orlando, FL 32801

### Education

Bachelor of Science in Accounting  
University of Central Florida

### Professional Designations or Licenses

Municipal Advisor Representative  
(Series 50)

### Years with PFM

10 Years

### Years of Experience

10 Years

Client Name	Client Contact	Services Provided
<b>City of Coral Springs</b> 9551 West Sample Road Coral Springs, FL 33065	<b>Kim Moskowitz</b> Director of Financial Services (954) 344-1092 <a href="mailto:kmoskowitz@coralsprings.org">kmoskowitz@coralsprings.org</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>City of Orlando</b> 400 S. Orange Avenue, 4th Floor Orlando, FL 32801	<b>Chris McCullion</b> Chief Financial Officer (407) 246-4274 <a href="mailto:christopher.mccullion@cityoforlando.net">christopher.mccullion@cityoforlando.net</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>City of Clermont</b> 685 W. Montrose St. Clermont, FL 34711	<b>Joe Van Zile</b> Finance Director (352) 241-7367 <a href="mailto:jvanzile@clermontfl.org">jvanzile@clermontfl.org</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>Tampa Bay Water</b> 2575 Enterprise Rd Clearwater, FL 33763-1102	<b>Christina Sackett</b> Chief Financial Officer (727) 669-4840 <a href="mailto:csackett@tampabaywater.org">csackett@tampabaywater.org</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management
<b>City of Sunrise</b> 10770 West Oakland Park Blvd. Sunrise, FL 33351	<b>Wendy Dunbar</b> Director of Finance & Admin Services (954) 746-3297 <a href="mailto:WDunbar@sunrisefl.gov">WDunbar@sunrisefl.gov</a>	Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management

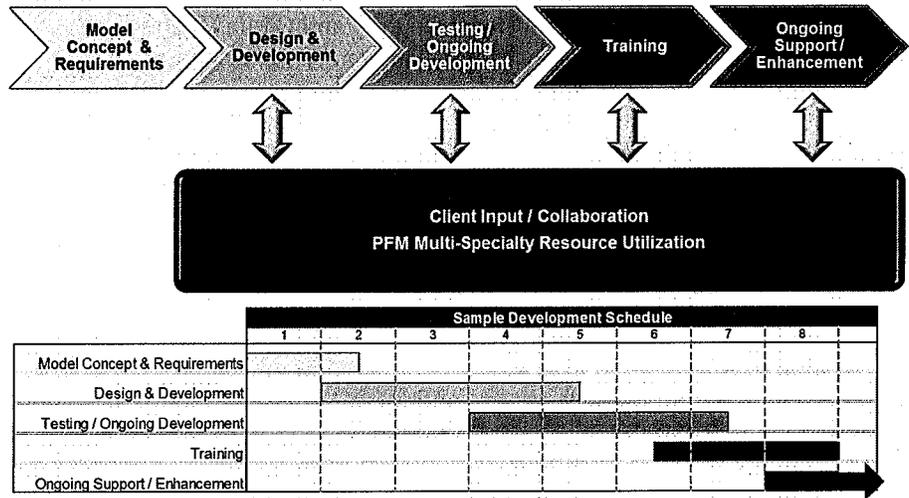


**Technical Support Services**

PFM has a dedicated Quantitative Strategies Group (“QSG”) that serves as in-house “problem-solvers” for challenges faced by our offices and clients throughout the country.

PFM's QSG is made up of professionals committed to developing proactive strategies and tools for all of our business practices. In addition to their roles as modeling experts and training coordinators, members of QSG develop customized solutions to meet each of our client's unique quantitative needs. We provide services that address the full scope of strategic and operational considerations, from capital financing approaches to strategic planning and budgeting, to investment-management tactics. Our models in financial risk management, structural optimization, refunding efficiency, forward pricing, other post-employment benefits (“OPEB”), and budget projection assist us in achieving these objectives.

While QSG originally was created to serve as an internal resource, we have found that the group offers unique value, talents, and services to our clients that may not be readily available from other firms.



In addition to providing ongoing support to our local and regional offices, QSG also constantly monitors the municipal market for new and emerging products and strategies that PFM's financial advisory practice can develop and use for our clients. To further improve the accuracy and breadth of our leading quantitative resources, QSG maintains direct access to Bloomberg, Thomson Financial, Securities Data Corporation, Municipal Market Advisors, and other information services.

**Legal Support Services**

In tandem with the vast amount of financial advisory and strategic consulting work performed by PFM, we interface and receive a considerable amount of legal support from internal and external sources. PFM's financial advisory business works very closely with all of the major public finance bond professionals in the State of Florida when executing various forms of financings. Additionally, we receive frequent and periodic updates from Municipal Securities Rulemaking Board (MSRB) and other publications from numerous external legal professionals along with PFM's internal legal and compliance departments.



Provide a description of your proposed personnel's relevant experience over the last three years. Include a case study, if available, that illustrates your experience with relevant services where the proposed personnel have served as financial advisor for:

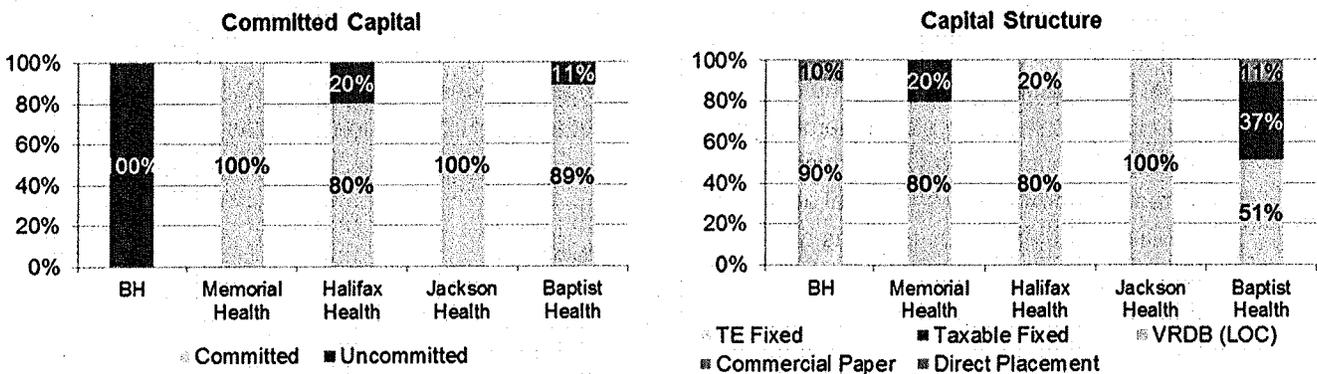
Provided within this section are a series of case studies that demonstrate the diversity of experience of the core PFM financing team assigned to the City. Often, our competitors rely on "firm" experience and/or financings in other states and/or regions in order to demonstrate the diversity in experience. It is worth noting that all the case studies below were implemented by the core PFM team members for the City's engagement. And, many of the case studies are for clients within 50 miles of the City.

Note: The case studies provided below are for informational purposes only and do not represent an endorsement or testimonial by clients of PFM's financial advisory services. The results that PFM's financial advisory business obtained for each client illustrated was dependent upon the client's circumstances and market conditions at the time of the transactions, and should not be viewed as a guarantee of future performance results.

**Long-term Strategic Financial Planning (Section 2.16.1.f of the RFP)**

**CASE STUDY: NORTH BROWARD HOSPITAL DISTRICT (BROWARD HEALTH)**

We worked with North Broward Hospital District administration to develop a plan of finance for a comprehensive restructuring of the District's outstanding debt obligations. The Series 2017 Bonds served to refinance all of the outstanding maturities of the District's debt, terminate the associated interest rate swaps, and provide up to \$90 million of new money towards capital infrastructure projects. After discussion between PFM's financial advisory team and the District, the District decided to move forward with the comprehensive debt restructuring in order to create a more stable capital position for the foreseeable future. A restructuring of the outstanding debt portfolio to a more conservative, or "natural," fixed composition was advisable due to several factors. The charts below illustrate the District's then-current capital position as compared to peer entities.



Most notably, the District's ratings had been downgraded significantly over the last two rating cycles, resulting in increased LOC fees and uncertainty about commitment from the counterparties. As the ratings had been lowered closer to a non-investment grade level (below BBB) the risk of technical/covenant defaults on both the bonds and the associated swaps had increased. Should those covenants have been triggered, it would have likely resulted in large mandatory tenders and upfront payments to the counterparties, which would require a significant outlay from the District's liquidity position. In the primary capital markets, interest rates for long-term fixed rate municipal bonds were near



historical lows and PFM's pricing group opined that significant investor appetite remained for lower-rated credits that demonstrate healthy financial metrics but offer relatively more yield than higher-rated credits. This point is an important one, as the rating agencies had primarily lowered the District's ratings due to turnover within management over the last few years. After lowering the credit ratings, the rating agencies noted there was an increased likelihood of covenant breaches that would result in the aforementioned cash payments to counterparties. The District had already begun to stabilize the management ranks, which, with a reasonable amount of demonstrated stability, helped alleviate investor concerns. Restructuring the District's debt portfolio served to alleviate the secondary concern of liquidity calls.

The overall plan of finance was structured to take the District to a more conservative debt position without the need for LOC or swap counterparties, thereby alleviating the obligation to secure future letters of credit, post collateral on the swaps, or have liquidity risk.

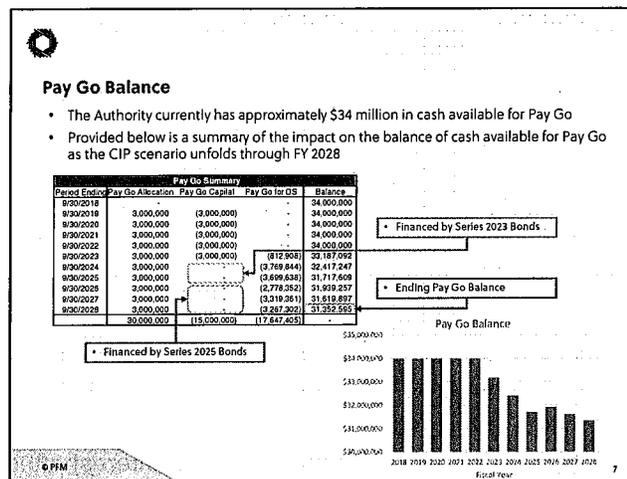
In addition to restructuring the debt portfolio, the District funded approximately \$90 million of new capital infrastructure needs. The finance team worked closely with the District and counsel to determine the useful life of the previously funded projects, as well as the new capital in order to determine the potential term of the Series 2017 Bonds. Ultimately, the District restructured the amortization of the existing debt to a slightly longer term. The new capital will be wrapped around the existing debt to result in an aggregate level debt service payment. By restructuring the existing debt over this term, the goal was to minimize the impact of the new capital issuance and limit the increase to the District's annual debt service payments.

On November 20<sup>th</sup> 2017, the Series 2017 bonds were successfully priced, which involved assistance from PFM Swap Advisors LLC, the Pricing Group, and our PFM Consulting LLC.

**CASE STUDY: TAMPA BAY WATER (FL)**

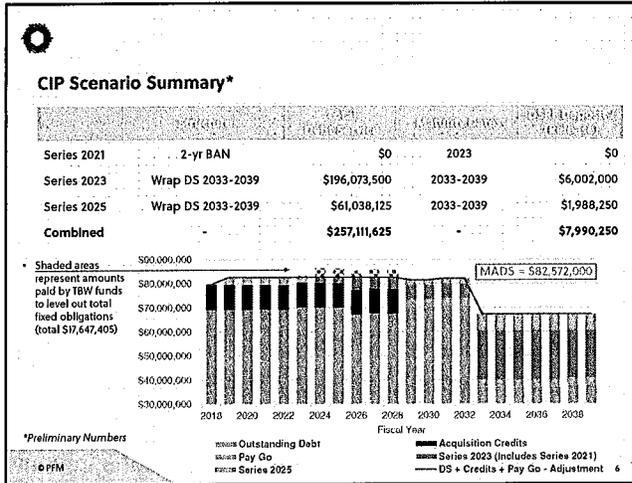
Tampa Bay Water (TBW or the Authority) was created in 1998 to serve as the exclusive wholesale provider for the Tampa Bay area, supplying water to over 2.5 million people. The two-year process to create the Authority resulted in a change of the name, structure and operations of the West Coast Regional Water Supply Authority. The creation of TBW ended the west coast regions "water wars", bringing together the six resident member governments located in Hillsborough, Pinellas and Pasco counties. PFM's financial advisory business was hired as the Authority's financial advisor in the fall of 2009 and since then has assisted with a wide range of financings and planning. Over the last 9-years we have advised on 10 issuances ranging from new money projects to refundings, totaling over \$998 million in principal amount.

TBW differs from many other water utilities as they have focused on building and creating a new, integrated water supply and distribution system. Of utmost importance to the Authority as they fund these new money projects is





keeping a close eye on the outstanding debt profile; a main component of the rates charged to customers. In the spring of 2018, TBW requested we review their latest Capital Improvement Plan which anticipated three large projects spread-out over the next 7-years. We developed an innovative preliminary financing structure that would utilize a mixture of the Authority's Pay-Go proceeds along with a Bond Anticipation Note, and two future bond issuances. This strategy would minimize the impact on the Authority's aggregate debt service schedule and ensure future rate increases are kept to a minimum.



In addition to the typical bond financing deal flow, we have been engaged to advise the Authority on various non-financing related projects. PFM's financial advisory business was requested to serve as a key resource to the Authority as they worked through discussions with its member governments related to creating an alternative supply of water. As this modification has the potential to alter the resilient structure of TBW, we are involved with the review of various new water supply options proposed by its members and the potential financial impacts. Our consultants have also been integral in providing an educated opinion

on the potential credit rating impact of introducing new water supplies. This assignment began in the summer of 2017 and we continue to be involved in the discussions.

**CASE STUDY: ORANGE COUNTY (FL) – CONVENTION CENTER**

PFM's financial advisory business has assisted Orange County with long-term planning for the Tourist Development Tax (TDT) dating back to the late 1980's. By the mid 2000's, TDT revenue was approaching \$200 million annually leading various community groups in central Florida to begin developing strategies to build state of the art "Community Venues" including a \$380 million performing arts center, a \$480 million arena for the Orlando Magic and a comprehensive renovation of the Citrus Bowl. The facilities were expected to cost approximately \$1.1 billion; far more than the County and/or the City of Orlando could finance. Early in the negotiations the County developed a number of strategic objectives. First, given the dominant role of tourism in central Florida, support for the Community Venues could not impair the ability of the County to continue to support the Convention Center and other tourism related obligations. Second, any TDT revenues used for the project could not be "pledged" (senior or subordinate) and must be made out of excess collections. Finally, the County wanted the City to own and manage the facilities so that there would not be any contingent liability in the event the facilities do not operate profitably.



PFM's financial advisory team refined the TDT model to aid the County in negotiating details of the constantly evolving plan. After years of negotiations, PFM helped the County develop a consensus plan of finance incorporating TDT revenues, CRA revenues, City parking revenues, State of Florida Sales Tax revenue, PECO funding and over \$250 million in private payments and donations. The plan is one of the most innovative structures developed to date in the nation in that the TDT component funds over \$500



million of the projects, but all TDT payment obligations only accrued to the project if future TDT growth exceeded 2% annually ensuring sufficient funds for ongoing tourism related activities well into the future. No County secured debt was issued ensuring no negative impact on the County's credit rating. PFM's knowledge of legal TDT usage and ability to model these structures enabled the community to fund \$1.1 billion in Community Venues without impairing its ability to support the critical tourism industry.

By 2016 TDT annual TDT revenues had increased and debt service had decreased by almost \$10 million per year through efficient refundings so the County could absorb the full debt burden. The County issued \$290 million in TDT secured bonds materially decreasing the total obligations for the financings. The overall financing plan was well received by the rating agencies culminating in Moody's upgrading the TDT credit to Aa2, the highest rated TDT in the nation.

**Tax-Exempt New Money Financing and Derivatives Product (Section 2.16.1.g of the RFP)**

**CASE STUDY: PALM BEACH SCHOOLS (FL) – SWAP TERMINATION (DERIVATIVE PRODUCT)**

PFM's financial advisory business serves as the District's financial advisor and advises the District regarding its multi-billion capital program; one of the largest in the nation. After the financial downturn, School Districts started to receive scrutiny from rating agencies for holding debt structures that were not viewed as conservative, which included synthetically fixed rate debt. The School Board and the Finance Committee expressed interest in terminating the District's three outstanding swap transactions to convert to a more conservative capital debt structure. Detailed discussions with both parties resulted in parameters for the District to move forward if and when the market hit the sweet spot to execute. The Board approved the termination of each outstanding swap if the termination resulted in a net present value savings of no greater than a loss of 3% based on the current debt service the District was paying on the transaction to include costs of issuance of the refunding transaction. The Board approved engaging PFM Swap Advisors LLC to work with PFM's financial advisory team (collectively the "PFM team" to advise on the financing.

From that point forward the PFM team provided the District updates on where the transactions stood based on current market dynamics. In the fall of 2017, all three of the District's outstanding swaps moved significantly into the direction of meeting the parameters approved by the Board. This occurred as the 2017 Tax Reform was approved by Congress which pushed the District to quickly move forward with an advance refunding on their outstanding Certificates of Participation, Series 2011A and 2012A to lock in the savings in December 2017. Due to the rush to market by municipalities at year-end with advance refundings it was decided to wait until January to reassess the District's swaps due to the market turmoil in December 2017. This proved to be a prudent decision by the District as the swaps started to look even more attractive to terminate being well within the parameters approved by the

Bond Series	Swap Terminations					Cumulative Total
	Series 2017A	Series 2017B	Series 2018A	Series 2018B	Series 2018C	
Refunded Bonds	Refunding Series 2007C	Refunding Series 2011A & 2012A	Refunding / Terminating Series 2014A	Refunding / Terminating Series 2012B	Refunding / Terminating Series 2003B	
Gross Debt Service Savings	\$31,975,843	\$3,457,142	(\$1,479,391)	(\$813,956)	\$2,401,501	<b>\$35,541,139</b>
NPV Savings	\$28,805,024	\$2,873,271	(\$1,309,454)	(\$611,056)	\$394,634	<b>\$30,152,417</b>
% of Refunded Par	16.03%	6.39%	-1.13%	-0.60%	0.32%	
Net Swap Savings Over Time			7,153,194	6,479,618	2,115,934	<b>\$15,748,746</b>



Board. The District terminated the 2002B swap on January 31, 2018, followed by the termination of the Series 2002B swap on February 13, 2018 and lastly the Series 2003B swap on February 21, 2018. The results of the District's FY 2018 transactions as summarized below.

The ability to enter the market with all three transactions in such a quick fashion took the efforts of the whole financing team, District staff, the PFM team, Bond Counsel, Disclosure Counsel, and the Underwriters, in a succinct manner. During this same time period, the PFM team worked with the District to help budget out their additional facilities needs over the next five years utilizing their capital program. Knowing they had plans to ramp up their capital program the PFM financial advisory team discussed with the District the opportunity to smooth out their existing debt service and drastically lower their maximum annual debt service ("MADS") in the process of terminating their swaps. As we entered the market with the last swap termination we structured the transaction to level out their debt service and lower MADS while producing positive debt service savings on the swap termination. As a result of the all-encompassing view of the District's capital program and understanding the District's upcoming needs, we worked to produce a conservative debt program while producing additional capacity for future capital needs by reducing MADS by \$6 million from \$144 million to \$138 million. This created capacity for approximately \$100 million in new financing proceeds.

Period Ending	Aggregate Lease Payments at the Start of FY 2018	Cashflow Savings					Aggregate Lease Payments at the End of FY 2018	
		Series 2017A Refunding Series 2007C	Series 2017B Refunding Series 2011A & 2012A	Series 2018A Refunding / Terminating Series 2014A	Series 2018B Refunding / Terminating Series 2012B	Series 2018C Refunding / Terminating Series 2003B		Aggregate Cashflow Savings
8/1/2018	\$139,910,010	\$2,770,143	\$17,361	\$90,296	(\$26,796)	(\$175,420)	\$2,675,584	\$137,234,427
8/1/2019	138,677,129	2,405,713	29,069	(175,765)	(80,280)	(2,371,648)	(192,911)	138,870,400
8/1/2020	141,766,047	3,349,513	29,069	(174,573)	(76,420)	(263,841)	2,863,747	138,892,300
8/1/2021	141,531,013	3,348,263	29,069	(174,694)	(77,170)	(454,455)	2,671,012	138,860,000
8/1/2022	140,355,878	3,352,863	444,069	(173,977)	(79,650)	(2,054,126)	1,489,179	138,866,699
8/1/2023	141,290,540	3,350,613	448,319	(175,808)	(77,420)	(1,121,326)	2,424,377	138,866,162
8/1/2024	140,770,128	3,348,113	449,113	(175,637)	(80,850)	(1,641,649)	1,899,089	138,871,039
8/1/2025	139,429,624	3,351,513	447,075	(171,609)	(79,840)	(3,286,492)	260,647	138,867,977
8/1/2026	144,224,745	3,351,088	68,000	(175,332)	(79,370)	2,196,610	5,360,995	138,863,750
8/1/2027	144,416,496	3,348,025	68,000	(172,293)	(79,900)	2,384,914	5,548,746	138,867,750
8/1/2028	143,856,546		1,428,000		(76,260)	3,641,806	4,993,546	138,863,000
8/1/2029	144,478,628					5,547,128	5,547,128	138,931,500
8/1/2030	79,075,500							79,075,500
8/1/2031	60,071,250							60,071,250
8/1/2032	41,690,250							41,690,250
<b>Total</b>	<b>\$1,881,232,783</b>	<b>\$31,975,843</b>	<b>\$3,457,142</b>	<b>(\$1,479,391)</b>	<b>(\$813,956)</b>	<b>\$2,401,501</b>	<b>\$35,541,139</b>	<b>\$1,845,691,645</b>
<b>NPV Savings</b>		<b>\$28,805,024</b>	<b>\$2,873,271</b>	<b>(\$1,309,454)</b>	<b>(\$611,056)</b>	<b>\$394,634</b>		
<b>% of Refunded Par</b>		<b>16.03%</b>	<b>6.39%</b>	<b>-1.13%</b>	<b>-0.60%</b>	<b>0.32%</b>		
<b>MADS</b>	<b>\$144,478,628</b>							<b>\$138,931,500</b>

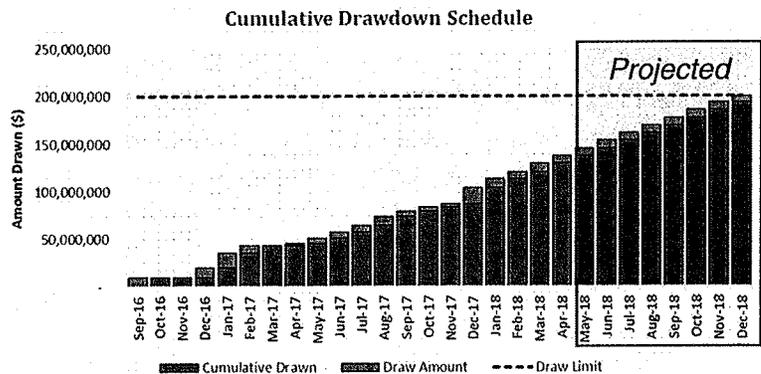
**CASE STUDY: MIAMI DADE COUNTY (FL) – GENERAL OBLIGATION DRAWDOWN BOND PROGRAM**

PFM's financial advisory team serves as the financial advisor to Miami-Dade County, providing strategic planning for the County's General Obligation Bonds (Public Health Trust Program). In doing so, we assisted the County in evaluating funding strategies that would provide optimal flexibility for an uneven construction schedule, while minimizing cost of carry and negative arbitrage in the construction fund. At the outset of the GO Program we prepared a scenario analysis around various financing tools and interest rate scenarios. Ultimately PFM's financial advisors and the County determined that a Drawdown Bond Program was the most advantageous. At the time of implementation of the Drawdown Program,

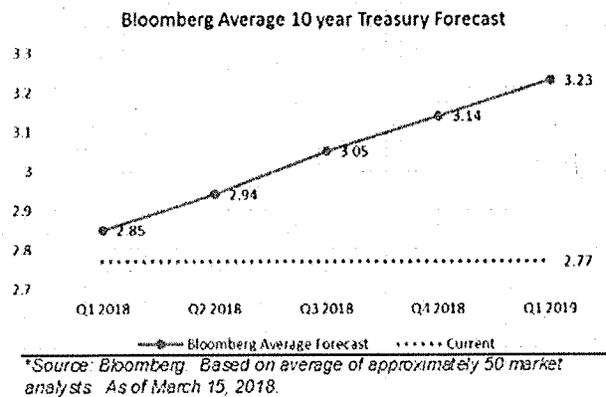


the expenditures for the PHT's Capital Improvement Program (CIP) were relatively uncertain. As such, the drawdown program was seen as an effective management tool allowing the PHT to request funds as necessary for, and as dictated by, the cash outlay for the capital improvement program. The \$735 million Drawdown Program was initiated in 2016, after a competitive solicitation process, and the first series of drawdown bonds was issued in the amount of \$200 million. A key component embedded into the program was the flexibility to convert drawdown bonds into long-term fixed-rate bonds on short notice (under 30 days).

We continued to track the monthly balance of the program through 2018. When it reached approximately \$140 million in April, we alerted the County of a potential timing opportunity, whereby the County could accelerate the first conversion (from variable to fixed) ahead of reaching the \$200 million threshold in order to (1) stay ahead of a rising interest rate environment, and (2) convert the bonds at time where the first interest payment would fall in the following budget year, thereby temporarily deferring the impact to taxpayers.



Furthermore, issuing the bonds in advance of the full amount being drawn enabled the County to stay ahead of projected rate increases. When we began discussing this potential with the County, it was informed by the Bloomberg forecasts for the 10 year Treasury. As shown in the graphic to the right, market analysts projected interest rates to continue to rise into the fourth quarter of 2018. Using forward-looking analysis, and the proactive flexibility originally embedded in the program, the County accelerated the drawn amount to the full \$200M in August, and simultaneously converted to a long-term fixed rate in August 2018.



That forward-thinking proved worthwhile, as interest rates rose an average of 19 basis points across the yield curve between August and October (the time of this writing), saving the County approximately \$3.1 million in interest expenses on a Net Present Value basis.

**CASE STUDY: CITY OF ST. PETERSBURG (FL) – WATER AND SEWER CONSENT DECREE**

PFM's financial advisory team has served the City of St. Petersburg since 2010. During this time we have assisted with implementing cost effective plans of finance to fund a variety of capital projects including the construction of a new police headquarters and pier, renovation of the Dali Museum, upgrades to Tropicana Field (home of Tampa Bay Rays), improvements to the public utility system and other general capital projects. Like many utility systems throughout Florida, the City has been faced with



maintaining its existing utility assets in a fit-for-purpose condition while balancing changing environmental conditions that have started to impact its infrastructure. In 2015 and 2016, the City sustained heavy rainfall events that lead to unauthorized discharges into the Tampa Bay. As a result, the City entered into two consent orders with the Florida Department of Environmental Protection (FDEP) that were intended to improve the City's ability to handle wet weather events through mandatory construction of infrastructure improvements. Since the City knew it would take considerable time for staff and the Consulting Engineer to develop the comprehensive capital improvement plan (CIP) that would allow the City to meet the requirements of the consent orders, it was determined that the City would issue a 1-year Bond Anticipation Note (BAN) in order to provide funding for the most immediate needs, while the long term needs and funding sources were being developed. In late 2017, we assisted the City with a request for proposals to identify a lending institution that would provide the City a 1-year BAN that was secured by a subordinate lien on the utility system revenues. The RFP resulted in JP Morgan being awarded the \$120 million BAN at an interest rate of 1.36%.

Upon completion of the fiscal years 2019-2023 CIP, a total of approximately \$500 million of water, sewer and stormwater needs were identified. These needs would be funded through a combination of long term bonds, SRF loans, Penneys for Pinellas sales tax proceeds, connection fees, and utility system revenues (pay as you go). One of the biggest hurdles to being able to complete the CIP in a cost effective manner was to maintain the system's credit ratings at their current levels (Aa2 from Moody's and AA from Fitch) despite the significant amount of debt being added to the system. PFM worked with City staff to create a rating presentation that focused on the core strengths of the City and system including: healthy reserve and liquidity position, strong debt service coverage, City Council that is willing to continue to support rate increases to support increased capital needs and a large system that is located in a regional economic center. Following meeting with each rating agency, all ratings were affirmed with stable outlooks. In September of 2018, the City competitively bid its \$205 million Public Utility Refunding Revenue Bonds, Series 2018 to pay off the 1 year BAN and fund additional capital improvements identified in the CIP. The City received six (6) bids with Bank of America Merrill Lynch providing the winning bid at a true interest cost of 3.71%.



## Taxable Financing (Section 2.16.1.h of the RFP)

### **CASE STUDY: ST. LUCIE COUNTY (FL) – PORT ACQUISITION**

PFM's financial advisory team has served as financial advisor to St. Lucie County since 2009. During this time, we have assisted with implementing cost effective plans of finance to fund a variety of capital projects including the renovation of Tradition's Field (the spring training home of the New York Mets), jail security upgrades, airport renovations, road improvements, utility system upgrades, park improvements and a master lease to fund technology and heavy equipment. PFM also developed the plan of finance for the issuance of Taxable Non Ad Valorem Revenue Bonds, Series 2017A (the "2017A Bonds") to fund the acquisition of the real property and existing infrastructure in the King Maritime Terminal within the Port of Fort Pierce (the "Port"). Acquisition of the Port had long been a strategic goal of the County given its' potential economic impact on the City of Fort Pierce and the County as a whole. Given the unique characteristics of the Port, including unobstructed access for large mega yachts and sailboats (no bridges to go under when entering the Port), the County envisioned the Port being an ideal location for a private company to develop and operate a state of the art mega yacht/sailboat repair and refurbishment business. In order to have the flexibility needed to allow a private operator at the Port, it was determined that the County would issue the 2017A Bonds on a taxable basis thus eliminating the need to comply with IRS private use/private payment rules associated with tax exempt bonds. PFM worked with the County to educate the rating agencies on the vision for the Port and its potential economic impact on the County, and ultimately received Aa3 and AA- ratings from Moody's and S&P. On January 12, 2018 the County priced the 2017A Bonds with a 30 year maturity at all in taxable true interest cost of 3.99%. Following the issuance, the County began the RFP process to procure the Port operator, which process is still ongoing. Two companies have been shortlisted and we are assisting the County with the review of each respondent's financial ability to implement their strategic vision for the Port.

### **CASE STUDY: SUMTER LANDING CDD (Sumter Landing Community Development District – \$320,905,000 Taxable Senior Lien Recreational Revenue Bonds, Series 2016 & \$30,900,000 Taxable Subordinate Recreational Revenue Bonds, Series 2016)**

PFM's financial advisory business serves as financial advisor to numerous entities within the community known as "The Villages", Florida, including Sumter Landing Community Development District ("SLCDD"). SLCDD encompasses approximately 450 acres the majority of which is comprised of Lake Sumter Landing, one of the major town centers for The Villages. In addition to owning and operating certain amenities, SLCDD owns and operates other public improvements including water management and control facilities.

An un-related entity, Village Center CDD, was the focus of a much publicized IRS audit for several years. During the period of the audit, debt issues for commercial CDD's were under close scrutiny by rating agencies, investors, and bond attorneys given the uncertainty surrounding the outcome of the audit.

During this time, SLCDD was provided the opportunity to purchase additional recreational amenities, security facilities and related assets from the original developer. This was an important opportunity for SLCDD and its constituents to gain residential control over amenities which are of utmost importance to the residents. In addition to the physical facilities, SLCDD would acquire the right to collect amenities fees with respect to the 30,553 single family residential units in the expanded service territory. Given the importance of the acquisition to SLCDD's long term goals, uncertainty of the pending IRS inquiry and



historic low interest rates at the time, SLCDD decided to move forward with a taxable bond issue to finance the acquisition.

The acquisition price required extensive leveraging of the newly acquired amenities fees. To minimize the financing costs to SLCDD, we worked with the financing team to develop a plan of finance utilizing both higher rated senior lien bonds and lower rated subordinate lien bonds. We also had extensive meetings with the rating agencies to explain the new credit for SLCDD and to create a credit structure to optimize credit ratings. The process was complicated by a change in rating criteria by S&P in the middle of the rating process. Given the uncertainty of the process, we advised SLCDD not to pursue a published rating from S&P for the subordinate bonds. The diligence of the finance team was rewarded as the senior lien bonds received credit ratings of "AA-" / "A+" from Fitch Ratings and S&P, respectively, and the subordinate lien bonds also received a Fitch rating of "AA-".

### CASE STUDY: PALM BEACH COUNTY (FL) – SPRING TRAINING BASEBALL

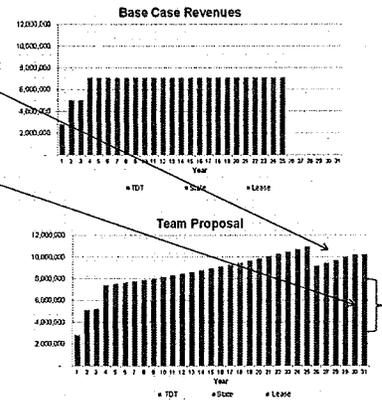
Palm Beach County has been a desirable location for Baseball Spring Training for many years. Retirees extend their winter season to stay for spring break increasing the local economic benefit materially. In 2015, the County was already home to a two team location—Roger Dean facility, and was approached by the Astros and Nationals to build a second stadium.

PFM's financial advisory business assisted the County in developing a strategy to blend local Tourist Development Tax revenue, State revenues and contributions from the team to create a sound funding strategy. At the same time, the County knew that the Roger Dean facility would need renovation in the near future so the County needed to retain the ability to issue additional debt in the future. We helped the County assess the impact of

financing structures (duration, debt service structure, etc.) in a manner that enabled the County to balance current funding needs with future demand on revenues. The County negotiated favorable terms including significant contribution from the teams. While this reduced the County's contribution, the concept created the need for a portion of the debt to be issued taxable. PFM's financial advisory business, County staff and the underwriters worked to develop a matrix allocating revenues and costs in a manner that minimized the amount of taxable debt, effectively enhancing the amount of funding, while also reducing the County's long-term financial obligations. The County issued \$122 million in bonds with approximately 50% tax exempt. Amortization of the taxable portion of the debt was structured so that the County has the opportunity to refund the bonds and convert to tax exempt bonds in the event "private payments" change and the County can reduce the requirement for taxable bonds.

#### Team Proposal for Revenue

- Team proposal starts with the County's Base Case and adds:
  - TDT extended by 5 years
    - (note in the Team analysis it appears that 31 years of TDT revenues are allocated to the project. This may have been an oversight or an effort to acknowledge the first partial year)
  - TDT contribution grows 3.5% each year
    - TDT contribution grows from \$75 million to \$154 million
  - Lease is extended 5 years





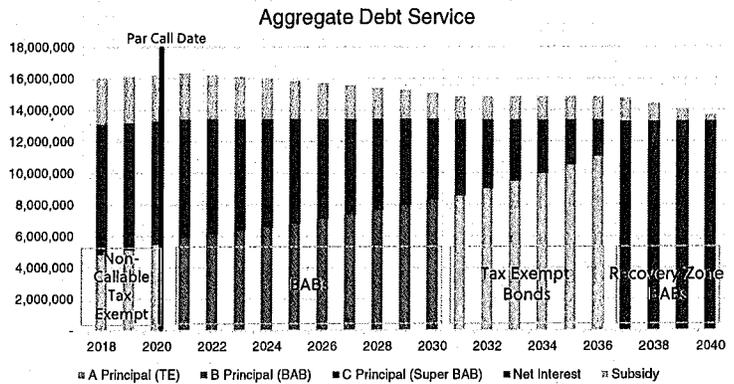
**Advance and Current Refunding (Section 2.16.1.i of the RFP)**

**CASE STUDY: BROWARD COUNTY (FL) – SALES TAX REFUNDING**

In 2009, in the midst of the financial crisis Broward County was finalizing the plan of finance for a new courthouse at a cost close to \$300 million. As part of the Federal economic stimulus program (ARRA) the County had access to Build America Bonds and Recovery Zone Economic Development Bonds (RZEDB); both of which created low cost financing through the issuance of taxable bonds that were subject to a Federal rebate of 35% and 45% of the interest, respectively. It is worth noting that the City of Ft. Lauderdale gave \$8 million of the City's RZEDB allocation in order to support the financing.

Over time, the Federal government reduced the subsidies and through sequestration and other means continues to threaten to reduce the subsidies further creating uncertainty for many borrowers. To date, even with the reduced subsidies, the financings have produced significant savings. But, in late 2017 the threat of further reductions and elimination of advance refundings caused the County to reevaluate. In one month, we led the County through the following process (i) initial evaluation of the refunding concept, (ii) development of a refunding strategy, (iii) solicitation of proposals from banks and underwriters, (iv) evaluation of the options and (v) closing.

The County evaluated the use of a crossover refunding and traditional financings and selected a bank loan to refinance the tax exempt portion of the financing. The structure is expected to generate over \$15 million in present value savings, or in excess of \$1 million per year, which creates a cushion in the event Federal subsidies are reduced prior to the call date for the Series 2010 taxable bonds.



**BROWARD COUNTY, FLORIDA**  
Half-Cent Sales Tax Revenue Refunding Bonds, Series 2017A

December												
Sum	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri
1	2	3	4	5	6	7	8	9	10	11	12	13
14	15	16	17	18	19	20	21	22	23	24	25	26
27	28	29	30	31								

Preliminary Financing Schedule as of October 2, 2018

Date	Event	Responsibility
December 1	Distribute Bank Loan RFP	FA
December 5	Distribute Draft Resolution	BC
December 6	Working Group Call on Resolution @ 3 PM	AI
December 6	Submit RFP Clarification to Potential Proposers	FA
December 7	Final Resolution to County	BC
December 8	Working Group Review of Plan of Finance	AI
December 12	Board Approval and RFP Due	County
December 13	Working Group meeting to review proposals; Make Recommendation	AI
December 14	Kickoff call with selected purchaser	FA
December 18	Distribute Financing Documents	BC
December 19	Working group call to review Financing Documents	All
	Time: 10 a.m. Dial-In Number: 877-577-5567 Participant Code: 379 023 4318	
December 20	Distribute revised documents	BC
December 20	Lock Rate	P
December 20	Draft Closing Documents to Working Group	BC
December 21	Bank Escrow Securities	AI
December 21	Comments due on Closing Documents	AI
December 22	Pre-Closing @ TBD	AI
December 27*	Closing	AI

\*Preliminary, subject to change

Legend

C	Broward County, Florida
SC	Bank Counsel - Sea to Sky LLP
FA	Financial Advisor - P.A. & Financial Management, Inc.
P	Bank Provider - First of America Bancorp
FC	Bank Counsel - First of America Bancorp
AI	Working Group



## CASE STUDY: BROWARD SCHOOLS (FL) – BABS REFUNDING (CROSSOVER)

Like many issuers, the School District of Broward County issued Build America Bonds (BABs) in 2009. As the tax reform proposal worked through Congress issuers evaluated refunding concepts. Most BABs were not strong refunding candidates because issuers would lose the subsidy upon issuance of refunding bonds. However “crossover refundings”—a unique approach to advance refundings, created an opportunity to retain the subsidy and lock in appealing interest rates.

PFM’s financial advisory business worked with the District on an accelerated schedule similar to that of the Broward County financing referenced above. But, due to the size and duration of the financing a full public offering was required. Therefore, we needed to obtain credit ratings, engage underwriters in due diligence, post an official statement and prepare for pricing in a few weeks.

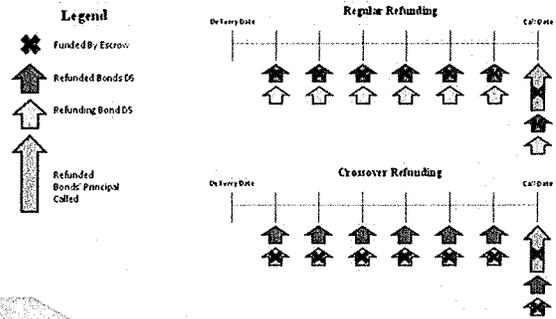
The process was further complicated by the fact that the Board could not approve the financing until December 12, 2017.

Typically the municipal market shuts down by the end of the second week in December. We developed a phased financing strategy to manage 3 separate Florida school district financings into the market in the week before Christmas. Each financing had to be marketed separately and carefully staged in order to avoid investors balking at the large supply offered over the course of a few days. The \$230 million, two series financing was priced on December 18, 2017 and closed the following week locking in present value savings in excess of \$15 million.



### Crossover Refunding vs. Advance Refunding

- Unlike a traditional (current or advance) refunding which is considered a legal defeasance, crossover refundings are considered an economic defeasance since the escrow established with the proceeds of the refunding bonds make payments on the refunding bonds instead of the refunded bonds until the call date of the bonds to be refunded.
- The escrow deposit for a crossover refunding is equal to the present value of the refunded bonds’ principal that will be called, and the refunding bonds’ coupon debt service through that call date. The graphic below shows a comparison between a regular refunding and a crossover refunding.



## CASE STUDY: CITY OF SUNRISE (FL) – FORWARD REFUNDING

Due to specific rules in the IRS tax code, the City of Sunrise, Florida was not permitted to refund the Series 1998 Utility Bonds more than 90 days prior to the October 1, 2018 call date. In the fall of 2017, PFM’s financial advisory business recommended the City explore a Forward Refunding technique which would allow the City to lock-in an interest rate for a refinancing that closes at a later date (effectively acts as a Current Refunding). Although there is a slight “forward premium” inherent in the lending interest rate with this approach, the risk of interest rates rising in the future is removed.

Toward the end of 2017, market expectations remained strong that the Federal Reserve would continue to increase borrowing rates in the near future, enhancing the intrinsic value of locking-in the refunding interest rate. Moreover, given the short-term nature expected for the refunding (final maturity to no later than October 1, 2026), we recommended that the City solicit proposals for a Forward Refunding bank term loan, which in current market conditions was expected to result in the most cost effective financing for the City.



In order to procure a lending institution for the Refunding Bonds and lock-in an interest rate as soon as possible, we developed and distributed on behalf of the City a Request for Proposals ("RFP") to a large group of local, regional, and national financial institutions on October 27, 2017. The RFP was received well and the City received a total of seven (7) proposals from qualified financing institutions. The City selected to proceed with a response that offered an attractive interest rate (including a low forward premium), and isolated the City from the risk of the interest rate being grossed-up due to a change in the corporate tax rate.

On January 11, 2018 the City executed a Forward Delivery Bond Purchase Agreement that locked-in the interest rate for a closing on July 3, 2018. During the escrow period (90 day period between the closing date and call date), PFM Asset Management LLC advised on the investment of the escrow proceeds which contributed an additional \$413,000 in net present value savings over cash. In total, the Forward Refunding of the Series 1998 Utility Bonds resulted in over \$12.1 million (13.8%) net present value savings for the City.



Describe your firm's knowledge, experience and resources in tracking and monitoring the tax-exempt and taxable bond markets, including fixed rate, variable rate, swaps and other derivative products, and the government securities market. Include a discussion of your firm's participation in underwriting tax-exempt and taxable bonds, acting as a principal in swap transactions, and providing investment services, as applicable. Also discuss your process for ensuring that the City receives the best price for any bonds, financings involving swaps and other derivative products, and any escrow securities as part of any refunding. Include a discussion of how you evaluate the success of any pricing.

#### **Independent Financial Advisor**

PFM is a firm whose sole business is to provide municipal issuers with a full line of advisory services. We are not underwriters, nor do we engage in any municipal securities sales or trading, nor act as a principal in swap transactions. We believe it is in the City's best interest to select an independent financial advisory firm rather than an underwriting firm that also provides financial advisory services.

An independent financial advisor is free from certain conflicts inherent when underwriting firms pick and choose between serving in the financial advisory role and the underwriting role. For this reason, GFOA added strong statements in its revised Recommended Practice on the method of sale regarding the need for a financial advisor that is free from conflict. Similarly, recent reforms stemming from Dodd-Frank and currently being addressed by the MSRB and SEC are supportive of the business case for independent financial advisors.

On a regular basis, underwriting firms work with one another as teams in underwriting syndicates and determine one another's compensation on bond transactions. A co-manager bond allocation can be worth several times the fee earned as a financial advisor and these allocations go on daily between banking firms. This situation invites compromise and impedes tough, independent negotiations when the underwriter acts as a financial advisor on the "other side of the table" from a former or current "teammate." Consequently, no investment banking firm acting as a financial advisor is going to negotiate as strongly as a truly independent financial advisor against another underwriter. Investment banks value their relationships with one another because of the widespread mix of senior manager versus co-manager interactions in the marketplace.



## Credit Rating Process

One of the main tasks of the City's financial advisor is to work with the City to obtain, maintain, or improve its credit ratings. By doing so, we are able to drive down the cost of borrowing and improve savings on refunding transactions. As a result of our experience advising hundreds of clients each year on the issuance of tax-exempt securities for a wide range of purposes, PFM's financial advisory team has developed a clear understanding of the analytical methods utilized by Moody's Investors Service ("Moody's"), Standard and Poor's ("S&P"), and Fitch Ratings ("Fitch"). Our professional staff is trained to conduct in-depth credit analyses comparable to the rating agencies, so that both credit strengths and weaknesses can be identified by the issuer prior to the presentation of materials to rating analysts. This experience has been utilized effectively to improve the credit ratings assigned to communities across the nation, as well as to maintain credit ratings during economic turmoil.

PFM's Florida team has particular expertise as it relates to assisting Florida clients with the credit rating process. For decades, credit ratings for Florida issuers were handicapped by rating agencies' predisposition against tourism-heavy economies and high-growth regions. Rating agencies overvalued large, manufacturing-based economies, even as the national economy was moving to more of a service-based economy. However, the reforms of the Dodd-Frank Act required the rating agencies to review internal policies and publish new rating criteria. Our position as a market leader led the rating agencies to consult with us as they developed the new criteria. Provided below and on the next page is a 5 year history of key metrics that Moody's uses to assess the City's credit along with the Moody's General Obligation Rating Scorecard analysis based on their revised criteria that PFM has prepared for the City using information garnered from the 2017 Comprehensive Annual Financial Report ("CAFR"), which provides a clear picture of the City's credit characteristics.

	2013	2014	2015	2016	2017	US Median	Credit Trend
<b>Economy / Tax Base</b>							
Total Full Value	\$31,747M	\$33,363M	\$36,119M	\$40,327M	\$44,290M	\$1,787M	Improved
Full Value Per Capita	188,297	194,949	208,099	228,165	247,340	88,380	Improved
Median Family Income (% of US Median)	89%	92%	92%	92%	92%	113%	Stable
<b>Finances</b>							
Available Fund Balance as % of Operating Revenues	13.7%	19.7%	23.2%	26.3%	25.0%	32.5%	Improved
Net Cash Balance as % of Operating Revenues	19.1%	31.5%	33.5%	37.6%	37.7%	35.4%	Improved
<b>Debt / Pensions</b>							
Net Direct Debt / Full Value	1.2%	1.1%	1.0%	0.8%	0.7%	1.2%	Stable
Net Direct Debt / Operating Revenues (x)	1.32x	1.11x	1.00x	0.9x	0.9x	0.93x	Weakened
Moody's-adjusted Net Pension Liability (3-yr average) to Full Value	2.4%	2.1%	1.7%	1.5%	1.6%	1.7%	Improved
Moody's-adjusted Net Pension Liability (3-yr average) to Operating Revenues	2.6x	2.1x	1.7x	1.7x	1.9	1.46x	Improved

Source: Moody's Investors Service



City of Fort Lauderdale, FL - Moody's Rating Local Government General Obligation Scorecard									
	Value	Aaa	Aa	A	Baa	Ba	B and Below	Weight	Implied Rating
<b>Economy/Tax Base (30%)</b>									
Tax Base Size: Full Value (\$ million)	\$44,289,523,000	> \$12B	\$12B ≥ n > \$1.4B	\$1.4B ≥ n > \$240M	\$240M ≥ n > \$120M	\$120M ≥ n > \$60M	≤ \$60M	10%	Aaa
Tax Base Per Capita	\$247,340	> \$150,000	\$150,000 ≥ n > \$65,000	\$65,000 ≥ n > \$35,000	\$35,000 ≥ n > \$20,000	\$20,000 ≥ n > \$10,000	≤ \$10,000	10%	Aaa
Median Family Income as % of US Median	92.00%	> 150% of US median	150% to 90% of US median	90% to 75% of US median	75% to 50% of US median	50% to 40% of US median	≤ 40% of US median	10%	Aa
<b>Finances (30%)</b>									
Fund Balance as % of Revenues	25.00%	> 30.0%	30.0% ≥ n > 15.0%	15.0% ≥ n > 5.0%	5.0% ≥ n > 0.0%	0.0% ≥ n > -2.5%	≤ -2.5%	10%	Aa
5-Year Dollar Change In Fund Balance as % of Revenues	12.39%	> 25.0%	25.0% ≥ n > 10.0%	10.0% ≥ n > 0.0%	0.0% ≥ n > -10.0%	-10.0% ≥ n > -18.0%	≤ -18.0%	5%	Aa
Cash Balance as % of Revenues	37.70%	> 25.0%	25.0% ≥ n > 10.0%	10.0% ≥ n > 5.0%	5.0% ≥ n > 0.0%	0.0% ≥ n > -2.5%	≤ -2.5%	10%	Aaa
5-Year Dollar Change In Cash Balance as % of Revenues	15.67%	> 25.0%	25.0% ≥ n > 10.0%	10.0% ≥ n > 0.0%	0.0% ≥ n > -10.0%	-10.0% ≥ n > -18.0%	≤ -18.0%	5%	Aa
<b>Management (20%)</b>									
Institutional Framework	Aa	Very Strong	Strong	Moderate	Limited	Poor	Very Poor	10%	Aa
Operating History: 5-Year Average of Operating Revenues / Operating Expenditures	1.10x	> 1.05x	1.05x ≥ n > 1.02x	1.02x ≥ n > 0.98x	0.98x ≥ n > 0.95x	0.95x ≥ n > 0.92x	≤ 0.92x	10%	Aaa
<b>Debt/Pension (20%)</b>									
Net Direct Debt / Full Value	0.70%	< 0.75%	0.75% ≤ n < 1.75%	1.75% ≤ n < 4.00%	4.00% ≤ n < 10.00%	10.00% ≤ n < 15.00%	≥ 15.00%	5%	Aaa
Net Direct Debt / Operating Revenues	0.90x	< 0.33x	0.33x ≤ n < 0.67x	0.67x ≤ n < 3.00x	3.00x ≤ n < 5.00x	5.00x ≤ n < 7.00x	≥ 7.00x	5%	A
3-Year Average of Moody's Adjusted Net Pension Liability / Full Value	1.70%	< 0.90%	0.90% ≤ n < 2.10%	2.10% ≤ n < 4.80%	4.80% ≤ n < 12.00%	12.00% ≤ n < 18.00%	≥ 18.00%	5%	Aa
3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues	1.9x	< 0.40x	0.40x ≤ n < 0.80x	0.80x ≤ n < 3.60x	3.60x ≤ n < 6.00x	6.00x ≤ n < 8.40x	≥ 8.40x	5%	A
<b>Total (100%)</b>								<b>100%</b>	<b>Aa1</b>

\*Based on Moody's most recently published MFRA data and the City's 2017 CAFR  
 \*\* For illustrative purposes only

As shown in the table above, the majority of the City's metrics fall within the Aaa and Aa range, which demonstrates that the City's financial profile shows no major material weaknesses. The City has a sizable tax base that has grown substantially over the last 5 years. Additionally, the City has a strong financial position with healthy fund balance levels and liquidity position. The institutional framework score (standard statewide score) reflects the fairly diverse revenue structure of Florida cities that rely primarily on property and user taxes. Also given the 10 mill property tax limit, the City has significant ability to raise taxes within the statutory limit. The City's net direct debt and pension burdens are also low and in line with other comparable credits. When you combine all of the credit factors, it equates to a very strong Aa1 estimated general obligation credit rating from Moody's.



## Bond Pricing

When pricing bonds, we offer the City a unique blend of Wall Street knowledge, technical resources, and an independent, fiduciary perspective. As indicated in the chart to the right, we are the most active financial advisor in the country, and a more frequent market participant than even the largest investment banking firms.

One of our greatest strengths is our in-house Pricing Group: a dedicated group of advisory professionals whose job is to follow primary and secondary municipal market activity and to interact with the underwriters' desks on behalf of our issuing clients.

We are in the market on behalf of our clients an average of three times a day, and this constant presence gives us significant advantage over other firms when it comes to bond pricing. Our size and market presence gives us the knowledge of a major investment bank with the independence of a financial advisor. The sole responsibility of our Pricing Group is to provide our clients with the analytics, market knowledge, and insight to obtain the best available interest cost for their transactions.

Our dedicated team of pricing professionals provides clients with centralized access to market information and trends, including coupon structures, call option valuation, and spread relationships — this helps ensure that our clients receive the best possible pricing for their bonds given current market conditions. An example of this is PFM's proprietary Option Adjusted Yield ("OAY") model which estimates the amount of option value available to be captured in a future refunding which, in turn, helps issuers determine the appropriate yield-to-maturity relationships for various couponing alternatives.

### 2017 Full Year Long Term Overall Municipal New Issues

PFM vs. Underwriter  
Municipal Financial Advisory vs Underwriter Ranking  
Full to Each, Equal If Joint Financial Advisor; True Economics to Each Bookrunner  
Source: Thomson Reuters

	# issues	\$ in millions
PFM	996	63,473
Bank of America Merrill Lynch	550	63,093
Citi	520	46,511
J P Morgan Securities LLC	389	40,075
Morgan Stanley	366	32,365
Goldman Sachs & Co LLC	119	25,901
RBC Capital Markets	588	25,350
Wells Fargo & Co	288	23,118
Stifel Nicolaus & Co Inc	855	18,552
Raymond James	620	14,345

Central Florida Expressway Authority Option Analysis							PFM 5% Coupon Scale				PFM Lower Coupon Scale				PFM 5% Coupon Scale				
Callable Scale							OV Implied Non-Call Scale (Non-Adv. Rfdg.)				Callable Scale				OV Implied Non-Call Scale (Non-Adv. Rfdg.)				
Maturity Amt	Y	Maturity	Coupon	ROY	YTM	Price	Coupon	ROY	YTM	Price	Coupon	ROY	YTM	Price	Coupon	ROY	YTM	Price	
\$ 665,000	7/1/28	5.000%	2.590%	2.771%	120.196	2.706%	4.000%	2.640%	2.747%	111.369	4.000%	2.719%							
\$ 13,430,000	7/1/29	5.000%	2.670%	2.990%	119.451	2.875%	4.000%	2.750%	2.929%	110.395	4.000%	2.880%							
\$ 730,000	7/1/30	5.000%	2.730%	3.159%	118.897	2.995%	4.000%	2.850%	3.077%	109.519	4.000%	3.004%							
\$ 1,255,000	7/1/31	5.000%	2.790%	3.305%	118.345	3.096%	4.000%	2.990%	3.236%	108.305	4.000%	3.140%							
\$ 1,315,000	7/1/32	5.000%	2.840%	3.425%	117.887	3.179%	3.000%	3.160%	3.160%	98.149	3.129%	5.0 bps							
\$ 1,380,000	7/1/33	5.000%	2.890%	3.531%	117.432	3.255%	4.000%	3.170%	3.434%	106.767	3.305%	(5.0) bps							
\$ 22,075,000	7/1/34	5.000%	2.940%	3.624%	116.979	3.325%	3.125%	3.330%	3.330%	97.412	3.282%	4.3 bps							
\$ 1,505,000	7/1/35	5.000%	2.990%	3.708%	116.528	3.386%	4.000%	3.290%	3.556%	105.756	3.404%	(1.9) bps							
\$ 980,000	7/1/36	5.000%	3.020%	3.772%	116.258	3.430%	3.250%	3.420%	3.420%	97.682	3.352%	7.8 bps							
\$ 24,915,000	7/1/37	5.000%	3.050%	3.829%	115.989	3.468%	4.000%	3.350%	3.622%	105.255	3.452%	1.6 bps							
\$ 59,105,000	7/1/38	5.000%	3.070%	3.875%	115.810	3.495%	4.000%	3.370%	3.646%	105.088	3.464%	3.0 bps							
\$ 35,255,000	7/1/39	5.000%	3.090%	3.918%	115.632	3.519%	4.000%	3.390%	3.667%	104.922	3.476%	4.3 bps							
\$ 64,675,000	7/1/40	5.000%	3.100%	3.951%	115.543	3.533%	4.000%	3.400%	3.682%	104.839	3.479%	5.4 bps							
\$ 38,875,000	7/1/41	5.000%	3.110%	3.982%	115.454	3.547%	4.000%	3.410%	3.695%	104.756	3.483%	6.4 bps							
\$ 40,425,000	7/1/42	5.000%	3.120%	4.010%	115.365	3.560%	4.000%	3.420%	3.708%	104.673	3.487%	7.4 bps							



In addition to our technical capabilities, the Pricing Group's constant presence in the municipal bond pricing process helps foster professional peer-to-peer relationships with underwriting desks, as well as a better understanding of the internal workings of the underwriting process at investment banks.

We couple this market knowledge with our own proprietary analytical pricing tools to develop our own pricing targets, independent of and before the presentation of the underwriting team's consensus scale. Whether a negotiated or competitive sale, our role simply is to seek the best results available. This includes structuring, marketing, and pricing a transaction. Regardless of the choice of a negotiated or competitive sale, we will run the numbers and prepare the sensitivity analyses necessary so our clients have an independent evaluation of the pricing.

### Post-Sale Analysis: Evaluating the Execution of a Pricing

We have developed a secondary trade model, which assesses post-issuance pricing performance. Furthermore, the volume of secondary trades leading up to a primary sale provides an indication of current market liquidity and/or institutional selling pressure for a particular credit, which can assist in determining market access and prudent new issue size. The trade data, particularly within 30 days of issuance, can be used to assess pricing performance and market sentiment. Secondary trades at levels significantly below initial pricing can be an indicator that pricing execution could have been more cost effective. We use this data, in addition to primary market data for similar credits, to assess the City's fixed rate debt pricing performance in order to enhance and refine strategies for pricing future issuances. An example of a screen within PFM's proprietary secondary trade model is shown below.

City of Winter Park 2017															
WINTER PARK FLA GO BDS SERIES 2017															
Original Par Amount		Sale Date		Dated Date		Underwriter				Ratings					
25,500,000		6/1/2017		7/3/2017		Stifel, Nicolaus & Co., Inc.				Moody's Aa1		S&P ***			
Trade Start Date		Trade End Date		Bond Insurer		Use of Proceeds		Tax Status		Ratings					
6/2/2017		7/3/2017		Not Insured		Gen Purp/Pub Impl		Tax-Exempt		Fitch AA+					
Original Pricing Information								Secondary Market Statistics <sup>1</sup>							
Reoffering Scale								Trades from 06-02-17 to 07-03-17							
Maturity	Par (\$000)	Coupon	Yield	Price	Insurer	MMD	Yield vs. MMD <sup>2</sup>	Max Price	Total Volume (\$000)	# of Trades	Avg. Price	Avg. Spread <sup>3</sup>	\$ Weighted Avg. Price <sup>2</sup>	\$ Weighted Avg. Spread <sup>3,4</sup>	
7/1/2018	810	5.000%	0.880%	104.070		0.810%	7 bps			no-trades					
7/1/2019	850	5.000%	0.970%	107.941		0.900%	7 bps			no-trades					
7/1/2020	890	5.000%	1.030%	111.676		0.980%	4 bps	111.771	1,070	8	111.583	6 bps	111.559	8 bps	
7/1/2021	935	5.000%	1.190%	114.819		1.100%	9 bps			no-trades					
7/1/2022	980	5.000%	1.270%	117.995		1.230%	4 bps	117.895	2,940	3	117.765	7 bps	117.765	7 bps	
7/1/2023	1,030	5.000%	1.400%	120.630		1.350%	5 bps	120.630	2,790	5	120.610	11 bps	120.597	11 bps	
7/1/2024	1,080	5.000%	1.530%	122.934		1.480%	5 bps	123.157	5,275	10	122.925	11 bps	122.811	12 bps	
7/1/2025	1,135	5.000%	1.690%	124.654		1.630%	6 bps	124.654	6,745	14	124.332	12 bps	124.223	13 bps	
7/1/2026	1,195	5.000%	1.860%	125.895		1.800%	6 bps	125.613	4,780	4	125.558	14 bps	125.558	14 bps	
7/1/2027	1,255	5.000%	1.960%	127.470		1.900%	6 bps	127.158	5,020	4	127.101	14 bps	127.101	14 bps	
7/1/2028	1,315	4.000%	2.150%	116.558		2.000%	15 bps	116.558	2,630	2	116.433	22 bps	116.433	22 bps	
7/1/2029	1,370	4.000%	2.300%	115.101		2.110%	19 bps	117.101	4,110	5	116.089	17 bps	115.414	24 bps	
7/1/2030	1,425	3.000%	2.500%	104.397		2.200%	30 bps	104.147	1,425	2	103.779	42 bps	103.437	45 bps	
7/1/2031	1,465	3.000%	2.600%	103.500		2.270%	33 bps	102.524	1,465	1	102.524	47 bps	102.524	47 bps	
7/1/2032	1,510	3.000%	2.750%	102.171		2.340%	41 bps	101.921	1,620	6	101.655	51 bps	101.282	54 bps	
7/1/2033	1,555	3.000%	3.000%	100.000		2.410%	59 bps	99.750	4,665	5	99.350	69 bps	99.439	68 bps	
7/1/2034	1,600	3.000%	3.030%	99.603		2.470%	56 bps	98.947	1,600	1	98.947	66 bps	98.947	66 bps	
7/1/2035	1,650	3.000%	3.070%	99.037		2.520%	55 bps	98.221	1,650	1	98.221	66 bps	98.221	66 bps	
7/1/2036	1,700	3.000%	3.100%	98.572		2.580%	54 bps	97.727	1,700	1	97.727	65 bps	97.727	65 bps	
7/1/2037	1,750	3.000%	3.130%	98.078		2.600%	53 bps	97.207	1,750	1	97.207	64 bps	97.207	64 bps	

Initial Pricing Spreads to MMD AAA Index

Secondary Market Trading Spreads to MMD AAA Index increased between pricing and closing

Between pricing and closing, the MMD spreads increased approximately 10 basis points. This indicates the City of Winter Park achieved a very aggressive pricing on this sale as underwriters were forced to sell bonds in the secondary market and higher yields/lower prices.



### **Post-Issuance Reporting**

After each transaction, we customarily prepare a financial advisory report, providing clients with a summary of the transaction including the financial alternatives considered, the financial impact of the transaction, and a comparison to similar deals that priced within the same timeframe. Part of this post-sale analysis includes detailed information regarding the pricing performance of the bond sale. This detailed analysis includes a review of the City's prior transactions, other transactions in the market that priced within the same timeframe, and a summary of the pricing in comparison to the pricing model. We will compile this information for the City as part of the "Financial Advisor's Report," and also will identify the on-going administrative requirements over the life of the transaction.

### **Ongoing Debt Monitoring – Debt Profile**

PFM's financial advisory business has also developed a systematic approach to tracking our clients' debt portfolios and identifying and evaluating various refunding opportunities. In an effort to present a comprehensive, yet simple to understand, analysis of all historical and current debt, PFM has refined a process which has become known as "debt profiling". Our debt profiles are easy to use and custom built for each client. Each series report shows the important structural features of the City's outstanding debt including the maturity date, coupon, yield, call date and price, and eligibility for advance (taxable), current or forward refunding under the tax code. As the City incurs additional debt and restructures/refinances existing debt, we will update the debt profile to reflect those changes.

On the following pages we have included excerpts from the City's water and sewer debt profile including the Debt Schematic (pictorial display of debt issuance that tracks prior refundings), Debt Service Graph and a select Series Report (summary of all relevant information). These outputs summarize the specific bond transactions, including all of the relevant structural features.





Another output of the Debt Profile are the Series Reports which summarize all structuring features of a specific series of bonds. Provided below is the Series Report for the City's Water and Sewer Revenue and Revenue Refunding Bonds, Series 2016. Given the advance refunding nature of these bonds (see schematic on prior page to track refundings) and changes implemented by the Tax Cuts and Jobs Act, under current tax law they are not able to be advance refunded with tax exempt bonds and thus are shown as only being forward refundable prior to their call date (9/1/24 at par). Also note that the Debt

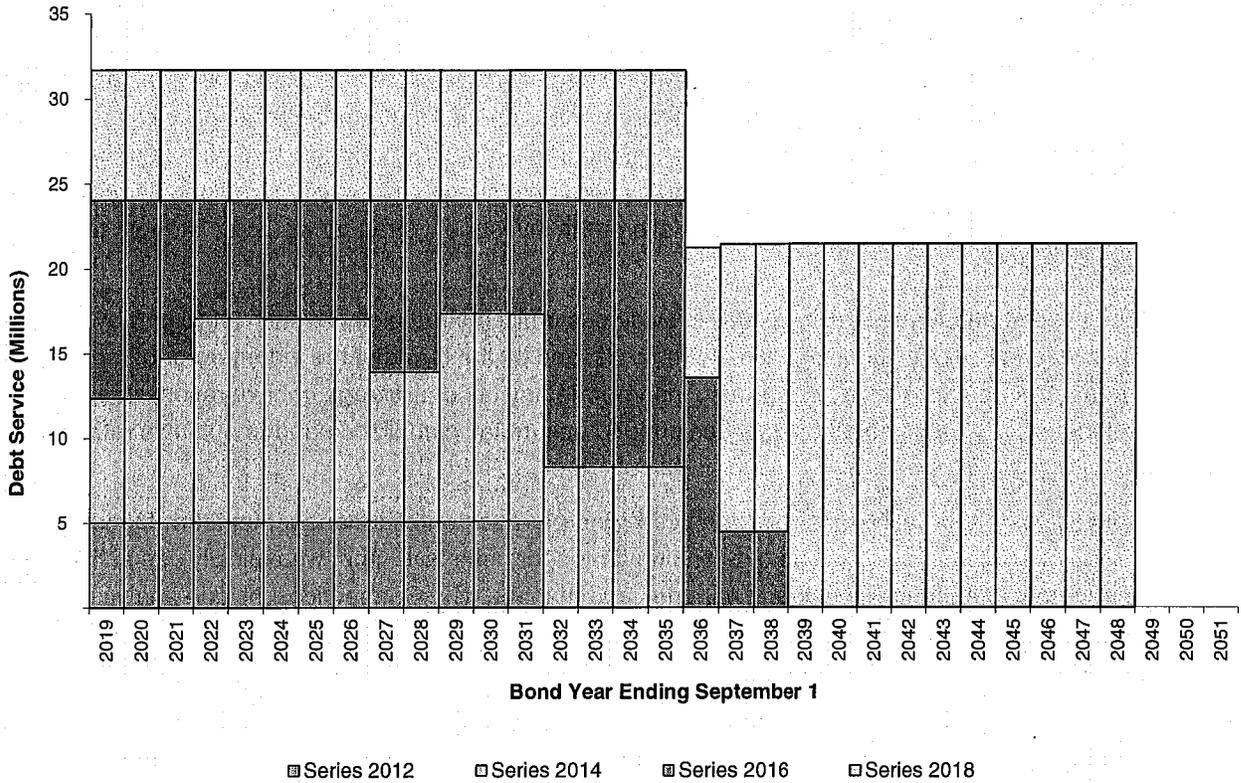
City of Fort Lauderdale													
Series-by-Series Analysis													
Series 2016 (Tax Exempt)													
Water and Sewer Revenue Refunding Bonds													
Underwritten Revenue Bonds													
Bond Call or Redemption Terms													
Par Amount													
Yield													
Price													
Insurance													
Redemption													
Optional													
Outstanding Bond Year Debt Service as of 9/1/18													
Date	Bond	Par Amount	Coupon	Bond Price	Yield	Price	Insurance	Status	Date	Year	Principal	Interest	Debt Service
9/1/16	Serial	2,655,000	5.000%	0.331%	101.515	N/A	Matured			9/1/16			
3/1/17	Serial	4,015,000	5.000%	0.581%	103.631	N/A	Matured			3/1/17			
9/1/17	Serial	4,025,000	5.000%	0.640%	105.742	N/A	Matured			9/1/17			
3/1/18	Serial	4,215,000	5.000%	0.680%	107.821	N/A	Matured			3/1/18			
9/1/18	Serial	4,220,000	5.000%	0.730%	109.825	N/A	Non-Callable			9/1/18			
3/1/19	Serial	3,445,000	5.000%	0.780%	111.767	N/A	Non-Callable			3/1/19	3,445,000	2,432,347	5,877,347
9/1/19	Serial	3,440,000	5.000%	0.840%	113.611	N/A	Non-Callable			9/1/19	3,440,000	2,346,222	5,786,222
3/1/20	Serial	3,625,000	5.000%	0.900%	115.380	N/A	Non-Callable			3/1/20	3,625,000	2,260,222	5,885,222
9/1/20	Serial	3,625,000	5.000%	0.960%	117.073	N/A	Non-Callable			9/1/20	3,625,000	2,169,597	5,794,597
3/1/21	Serial	2,615,000	5.000%	1.050%	118.535	N/A	Non-Callable			3/1/21	2,615,000	2,078,972	4,693,972
9/1/21	Serial	2,615,000	5.000%	1.120%	120.001	N/A	Non-Callable			9/1/21	2,615,000	2,013,597	4,628,597
3/1/22	Serial	1,545,000	5.000%	1.190%	121.378	N/A	Non-Callable			3/1/22	1,545,000	1,948,222	3,493,222
9/1/22	Serial	1,550,000	5.000%	1.260%	122.667	N/A	Non-Callable			9/1/22	1,550,000	1,909,597	3,459,597
3/1/23	Serial	1,630,000	5.000%	1.320%	123.940	N/A	Non-Callable			3/1/23	1,630,000	1,870,847	3,500,847
9/1/23	Serial	1,625,000	4.000%	1.390%	118.115	N/A	Non-Callable			9/1/23	1,625,000	1,830,097	3,455,097
3/1/24	Serial	1,695,000	4.000%	1.450%	118.797	N/A	Non-Callable			3/1/24	1,695,000	1,797,597	3,492,597
9/1/24	Serial	1,700,000	4.000%	1.510%	119.408	N/A	Non-Callable			9/1/24	1,700,000	1,763,697	3,463,697
3/1/25	Serial	1,765,000	4.000%	1.600%	118.635	N/A	Forward Refundable		9/1/24 100%	3/1/25	1,765,000	1,729,697	3,494,697
9/1/25	Serial	1,765,000	4.000%	1.650%	118.207	N/A	Forward Refundable		9/1/24 100%	9/1/25	1,765,000	3,455,397	3,455,397
3/1/26	Serial	1,830,000	4.000%	1.710%	117.697	N/A	Forward Refundable		9/1/24 100%	3/1/26	1,830,000	1,659,097	3,489,097
9/1/26	Serial	1,850,000	2.000%	2.040%	99.628	N/A	Forward Refundable		9/1/24 100%	9/1/26	1,850,000	1,622,497	3,472,497
3/1/27	Serial	3,470,000	2.000%	2.120%	98.843	N/A	Forward Refundable		9/1/24 100%	3/1/27	3,470,000	1,603,997	5,073,997
9/1/27	Serial	3,475,000	2.000%	2.160%	98.388	N/A	Forward Refundable		9/1/24 100%	9/1/27	3,475,000	1,569,297	5,044,297
3/1/28	Term_2028	3,545,000	3.000%	2.280%	105.429	N/A	Forward Refundable		9/1/24 100%	3/1/28	3,545,000	1,534,547	5,079,547
9/1/28	Term_2028	3,550,000	3.000%	2.280%	105.429	N/A	Forward Refundable		9/1/24 100%	9/1/28	3,550,000	1,481,372	5,031,372
3/1/29	Term_2029	1,915,000	3.000%	2.480%	103.887	N/A	Forward Refundable		9/1/24 100%	3/1/29	1,915,000	1,428,122	3,343,122
9/1/29	Term_2029	1,915,000	3.000%	2.480%	103.887	N/A	Forward Refundable		9/1/24 100%	9/1/29	1,915,000	1,399,397	3,314,397
3/1/30	Term_2030	1,980,000	3.000%	2.650%	102.597	N/A	Forward Refundable		9/1/24 100%	3/1/30	1,980,000	1,370,672	3,350,672
9/1/30	Term_2030	1,985,000	3.000%	2.650%	102.597	N/A	Forward Refundable		9/1/24 100%	9/1/30	1,985,000	1,340,972	3,325,972
3/1/31	Term_2031	2,055,000	3.000%	2.700%	102.221	N/A	Forward Refundable		9/1/24 100%	3/1/31	2,055,000	1,311,197	3,366,197
9/1/31	Term_2031	2,050,000	3.000%	2.700%	102.221	N/A	Forward Refundable		9/1/24 100%	9/1/31	2,050,000	1,280,372	3,330,372
3/1/32	Serial	6,665,000	3.125%	2.600%	103.904	N/A	Forward Refundable		9/1/24 100%	3/1/32	6,665,000	1,249,622	7,914,622
9/1/32	Serial	6,670,000	3.125%	2.600%	103.904	N/A	Forward Refundable		9/1/24 100%	9/1/32	6,670,000	1,145,481	7,815,481
3/1/33	Serial	6,880,000	3.125%	2.660%	103.449	N/A	Forward Refundable		9/1/24 100%	3/1/33	6,880,000	1,041,263	7,921,263
9/1/33	Serial	6,875,000	3.125%	2.660%	103.449	N/A	Forward Refundable		9/1/24 100%	9/1/33	6,875,000	933,763	7,808,763
3/1/34	Serial	7,095,000	3.250%	2.720%	103.922	N/A	Forward Refundable		9/1/24 100%	3/1/34	7,095,000	826,341	7,921,341
9/1/34	Serial	7,095,000	3.250%	2.720%	103.922	N/A	Forward Refundable		9/1/24 100%	9/1/34	7,095,000	711,047	7,806,047
3/1/35	Serial	7,330,000	3.375%	2.780%	104.392	N/A	Forward Refundable		9/1/24 100%	3/1/35	7,330,000	595,753	7,925,753
9/1/35	Serial	7,330,000	3.375%	2.780%	104.392	N/A	Forward Refundable		9/1/24 100%	9/1/35	7,330,000	472,059	7,802,059
3/1/36	Serial	6,500,000	3.375%	2.830%	104.014	N/A	Forward Refundable		9/1/24 100%	3/1/36	6,500,000	348,366	6,848,366
9/1/36	Serial	6,495,000	3.375%	2.830%	104.014	N/A	Forward Refundable		9/1/24 100%	9/1/36	6,495,000	238,678	6,733,678
3/1/37	Term_2037	2,120,000	3.000%	3.030%	99.528	N/A	Forward Refundable		9/1/24 100%	3/1/37	2,120,000	129,075	2,249,075
9/1/37	Term_2037	2,120,000	3.000%	3.030%	99.528	N/A	Forward Refundable		9/1/24 100%	9/1/37	2,120,000	97,275	2,217,275
3/1/38	Term_2038	2,180,000	3.000%	3.080%	98.712	N/A	Forward Refundable		9/1/24 100%	3/1/38	2,180,000	65,475	2,245,475
9/1/38	Term_2038	2,185,000	3.000%	3.080%	98.712	N/A	Forward Refundable		9/1/24 100%	9/1/38	2,185,000	32,775	2,217,775
Issuance Par:		158,930,000											
Outstanding Par:		139,800,000											
Purpose of Issue		Advance refund all outstanding Series 2006, 2008 & 2010 Bonds and prepay two Refunded SRF loans											
Dates		Dated Date: 5/4/16 Delivery Date: 5/4/16 Sale Date: 4/19/16 First Interest Payment: 9/1/16 First Maturity Date: 9/1/16 Escrow Maturity: 9/1/19											
Sources of Funds		Par Amount: 158,930,000.00 Plus: OIP(OID): 10,474,299.66 Other Sources: 17,567,371.98 Total Sources: <u>\$186,971,671.63</u>											
Uses of Funds		Escrow Deposit: 167,586,519.38 SRF Payoff: 18,393,373.54 UW Discount: 341,699.50 Costs of Issuance: 650,079.21 Total Uses: <u>\$186,971,671.63</u>											

Schematic and Series Reports are color coordinated so activity can be easily tracked.



The final output of the Debt Profile we included is the Debt Service Graph, which shows the aggregate annual debt service payments for all parity water and sewer bonds. Please note that the color scheme within the graph matches the Debt Schematic and Series Reports for ease of tracking.

### Annual Water & Sewer Debt Service by Series





## Investment Advisory Services<sup>2</sup>

PFM Asset Management LLC (“PFMAM”) provides liquidity analysis, identifies proper core investment fund levels, and helps clients with their objectives of earning greater returns on their operating and reserve funds. Additionally, PFMAM provides investment and retirement plan consulting services to pension funds, endowments, and similar funds. PFMAM’s Structured Products Group assists PFMFA’s clients with structuring and restructuring advance refunding escrow portfolios. They monitor changes in markets every day, including interest rates, yield spreads, Fed policy, and a variety of key economic indicators. We use this data to analyze shifts in the rate level and shape of the yield curve, sector and industry trends, and a wide range of price and yield relationships. We then blend this with careful and detailed analysis of individual investment characteristics and risks. We provide clients with updates on our views and analysis through periodic emails, the firm’s monthly market commentary, quarterly performance reports, various thought leadership and educational materials, and in-person meetings with clients. Any major event impacting the portfolio or the investment strategy would be brought to the client’s attention.

PFM’s asset management business can provide customized strategies driven in large part by the nature, cash flow, and liquidity needs of each of the funds, and by the terms of the indenture or other authorizing instrument. When applicable, we will also incorporate any tax or arbitrage considerations into the development of investment strategies designed to ensure tax compliance and to optimize retainable earnings.

Our investment approaches include both active and passive portfolio management. For funds that have uncertain liquidity needs or will be outstanding for longer periods of time, we typically use active portfolio management to enhance investment earnings and manage risk. Our services include analysis of a variety of different reinvestment alternatives, including structured portfolios, actively managed portfolios, structured investment agreements, and investment pools or other money market instruments.

PFM’s asset management business has a team of professionals dedicated to the management of bond proceeds. They have the resources available to evaluate and implement less common investment approaches. They run breakeven and sensitivity analyses to help our clients understand the risks and returns associated with various investments. Their goal is always to provide an objective investment recommendation that we believe represents the best approach for each individual bond issue.

## Swap Advisory Services<sup>3</sup>

PFM Swap Advisors LLC (“PFMSA”) is a leader in providing swaps and derivative products advice. PFMSA is a Registered Municipal Advisor registered under the applicable SEC Rules and with MSRB under the Dodd-Frank Act of 2010, and a Commodity Trading Advisor (“CTA”) registered with the Commodity Futures Trading Commission (“CFTC”). PFMSA has internal procedures that were written to be in compliance with the new “QIR” Dodd-Frank related regulations, in particular with CFTC Regulation

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<sup>2</sup> Investment Advisory services are offered through PFM Asset Management LLC pursuant to separate agreement and fees.

<sup>3</sup> Swap Advisory services offered by affiliate PFM Swap Advisors LLC pursuant to separate agreement and fees.



17 CFR §23.401, 23.434 and 23.450. PFMSA is fully qualified to be the designated qualified independent representative (“QIR”) to the City, if required.

Our Swap Advisory practice began as a separate business group in 1997. Since then, PFMSA has advised state, local government and not-for-profit issuers on over 1,840 swap and derivative transactions totaling over \$127 billion in notional principal amount (and including the termination or amendment of 795 transactions with a total notional amount of over \$45 billion). Given our industry leading position, PFMSA is often able to negotiate more favorable terms on behalf of our clients. Our group’s sole focus is this extremely complex area of public finance. We believe that the knowledge, market access, technical skills and resources we offer are on par with those of the major investment banks. PFMSA’s substantial technical resources and large volume of derivatives advisory business gives us a competitive advantage and distinguishes us from smaller swap advisors. PFMSA’s vast client base allows us to achieve economies of scale in developing new applications and technology, e.g. our SwapViewer® valuation website that can be offered cost-effectively to serve our swap advisory clients.

Year	Number of	Notional Amount
2000	10	1,352,910,000
2001	43	4,274,727,502
2002	55	4,698,029,000
2003	72	11,177,954,000
2004	139	10,297,539,750
2005	152	13,024,735,241
2006	155	11,546,311,023
2007	153	10,847,225,139
2008	250	13,671,408,232
2009	156	9,026,705,299
2010	121	6,299,364,457
2011	89	5,114,339,405
2012	71	4,348,009,717
2013	99	4,784,721,689
2014	70	2,867,250,369
2015	71	4,181,172,884
2016	65	4,213,493,033
2017	76	5,485,565,040
<b>Total</b>	<b>1,847</b>	<b>127,211,461,780</b>

Source: PFM Internal Records

#### Escrow Structuring Services <sup>4</sup>

PFMAM optimizes escrows based upon live pricing feeds from a variety of sources, including Bloomberg, TradeWeb, and MarketAxess. We utilize a unique, security-by-security optimization and procurement process that enables our clients to receive the best price possible on each security purchased, which may result in multiple winning brokers and a much more efficient escrow compared to what one broker could have offered as a whole. Our structured products group and trading desk professionals work as a team to ensure that the procurement process is conducted in a careful and efficient manner with an emphasis on documentation and compliance with all applicable regulations. The procurement process is governed by an exhaustive term sheet, which is reviewed and approved by counsel and includes both legal and business provisions designed to protect our clients. Our team stands ready on the pricing date to move forward with the competitive procurement of the escrow as soon as the bonds have finished pricing. The entire procurement process is conducted via Bloomberg, which allows us to maintain time-stamped documentation of all offers received. These records, along with the term sheet and broker acknowledgments, are included as part of the bidding agent certificate and final report summarizing the results of the transaction.

<sup>4</sup> Escrow structuring services are offered by PFM Asset Management LLC pursuant to separate agreement and fees.



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Once the investments have been purchased, PFM will coordinate the closing on the transactions and establish instructions to ensure that all securities settle successfully and on time. PFM will provide detailed instructions to both the escrow agent (trustee) and securities providers in advance of the closing. In the event of any complications or delivery failures, PFM's portfolio managers and bond proceeds specialists will serve as intermediaries between the escrow agent and securities provider(s) to help quickly resolve any problems.



## 4.2.4 Approach to Scope of Work

Provide in concise narrative form, your understanding of the City's needs, goals and objectives as they relate to the project, and your overall approach to accomplishing the project. Give an overview on your proposed vision, ideas and methodology. Describe your proposed approach to the project. As part of the project approach, the proposer shall propose a scheduling methodology (time line) for effectively managing and executing the work in the optimum time. Also provide information on your firm's current workload and how this project will fit into your workload. Describe available facilities, technological capabilities and other available resources you offer for the project.

Additionally, the proposal should specifically address:

A. Who; B. What; C. When; D. Where; E. Why; F. How

### PFM's Goals and Objectives

PFM's goal is to be a long term strategic partner with the City to help with accomplishing the City's goals and objectives. This is our purpose, and in many respects our "**Why.**" We are not advisors that show up to complete a transaction and then move on to the next client transaction. We desire to build long term relationships with our clients and be an extension of staff that is available on an ongoing basis to assist with all financial related needs. Provided below are ways in which we partner with our clients:

- Strategic Partner:
  - Monitor legislative initiatives
  - Provide updates on new financial products/programs
  - Keep City abreast of regulatory environment changes
- Technical Partner:
  - Provide ongoing market updates on changing market conditions
  - Provide superior transaction management
  - Assist with Rating Agency Relations
  - Make City aware of new financial tools and their applicability
- Client Training – PFM offers:
  - Local training on investments, debt strategies, etc.
  - Training at FGFOA and other industry conferences
  - National client training – week long capital market training for senior finance officers

### What: Are the City's Needs?

As a dynamic South Florida City, Fort Lauderdale confronts many familiar issues. Economic development, income disparity, infrastructure nearing useful life, transportation relieve, and new challenges to resiliency and adaptation to environmental shifts. While we can't portray to know all of the City's issues in-depth, our recent experience with many of these challenges will allow us to hit the ground running. In the near-term, the City has diverse financing alternatives that should be considered including General Obligation Bonds, Water and Sewer Bonds, Stormwater Bonds and other general fund credits. We have extensive experience assessing the value proposition of all credits, including covenant to budget and appropriate versus specific revenue pledges; both the impact on the cost of funding, but equally as important the rating agency perspective. Related to the stormwater financings, PFM has devised financing strategies incorporating utility system billing, property tax assessments and



direct/indirect revenue pledges. As discussed below, PFM's philosophy is to approach each project and develop a plan of finance incorporating features that meet all of the City's needs while trying to maintain future flexibility.

**How and When: PFM Project Approach**

At PFM, we believe that as a financial advisor, we should play an active part in designing and executing the financing strategies of our clients. We see ourselves as both the client's partner and agent in helping to achieve their specific goals. Our job is to make the City aware of suitable options at its disposal and their potential outcomes. Our goal is to provide the City with the tools it needs to craft a financing strategy that will lead to the lowest-available cost of borrowing, while taking care to be consistent with the City's broader policy and financial objectives and fit with existing policies. We provide a forum for ideas, an environment for testing conventional wisdom, and a platform for forging performance-improving strategies. Most importantly, we will help craft the financial plan and prepare the report and presentation in a manner that is easily understood by stakeholders with a variety of backgrounds.

**Plan of Finance Development:**

The development of the most cost-effective financing plan available — as outlined in the table below — is a key strength of ours. Throughout the course of the financing process, PFM's financial advisory team will compile a set of the City's unique attributes that we believe will prove valuable in our negotiation with other market players for the best-available terms for the City.

Plan of Finance	
PFM Responsibilities	Objective(s)
1. Develop Financing and Debt Objectives	<ul style="list-style-type: none"> <li>▪ Ensure consistency with formal written debt policies and procedures.</li> <li>▪ Set parameters for measuring and making specific financing decisions.</li> </ul>
2. Prepare a Debt Profile	<ul style="list-style-type: none"> <li>▪ Demonstrate sophisticated financial management.</li> <li>▪ Update comprehensive review of all outstanding indebtedness.</li> <li>▪ Identify potential cost savings and other beneficial debt strategies.</li> <li>▪ Provide comprehensive review of bonding authority and bond covenants.</li> </ul>
3. Review Legal Structure	<ul style="list-style-type: none"> <li>▪ Identify opportunities for financing flexibility within credit constraints.</li> </ul>
4. Analyze Future Debt Capacity	<ul style="list-style-type: none"> <li>▪ Determine ability to raise future debt capital.</li> <li>▪ Identify rating concerns and/or opportunities.</li> </ul>
5. Review Capital Budget	<ul style="list-style-type: none"> <li>▪ Ensure a complete understanding of all anticipated capital needs in this changing plan.</li> </ul>
6. Identify Financing Alternatives	<ul style="list-style-type: none"> <li>▪ Match sources of capital funding to infrastructure needs.</li> <li>▪ Inform issuer of pros and cons of different financing techniques.</li> </ul>
7. Develop Final Financial Plan	<ul style="list-style-type: none"> <li>▪ Outline potential financing strategies relevant to specific project.</li> <li>▪ Document policies, processes, alternatives, and results.</li> <li>▪ Formally recommend optimal financing plan and solution.</li> </ul>



### Transaction Management Process:

As we work with the City's team to develop a plan of finance and then move forward with a financing strategy, there are several key elements that should be considered. Of significant importance is the time that goes into the preparation of documents to meet the needs of both policy and credit structure. Upon completion of the documents for a public offering, the City staff and PFM's financial advisory team will work together to ensure the initial ratings package is complete and provides sufficient detail regarding the credit strength, project significance, and management strengths to garner the highest possible credit rating that is warranted. A similar approach exists for bank loans, but the credit process is specific to each potential bank instead of an offering document that is required for a bond transaction. This credit work is typically completed during the RFP process for bank loan proposals, and we assemble an initial bank credit package which is released along with a bank loan RFP to market participants. As the plan of finance is refined, we will begin to lead the financing team through the transaction management process, as outlined in the table below:

Transaction Management	
Action	Objective(s)
1. Develop and Monitor Schedule	<ul style="list-style-type: none"> <li>Serve as a plan for timely completion of financing.</li> </ul>
2. Analyze Debt Structure Alternatives	<ul style="list-style-type: none"> <li>Design a debt structure that maximizes market interest and future financing flexibility while consistent with debt policy.</li> </ul>
3. Review Existing Debt Structure	<ul style="list-style-type: none"> <li>Identify strengths/weaknesses so future debt issues can be structured to maximize ability to finance future capital needs.</li> </ul>
4. Recommend Negotiated or Competitive Sale	<ul style="list-style-type: none"> <li>Tailor debt issue to the most efficient way to market debt and maximize investor interest/minimize interest cost.</li> </ul>
5. Assist Issuer with Selection of Working Group Members	<ul style="list-style-type: none"> <li>Select team that can most effectively bring the issue to market.</li> </ul>
6. Develop Terms of Financing	<ul style="list-style-type: none"> <li>Ensure credit quality and present terms are attractive to investors in order to create broad-based interest in the debt.</li> <li>Maximize future flexibility.</li> </ul>
7. Review Financing Documents	<ul style="list-style-type: none"> <li>Monitor that all contractual and business terms are reviewed from the issuer's perspective.</li> <li>Coordinate institutional investor "road show" and/or enhanced bond-issue advertising.</li> </ul>
8. Develop Marketing Plan	<ul style="list-style-type: none"> <li>Assist issuer seeking to maximize underwriter and investor interest in securities.</li> </ul>
9. Develop Rating Presentation	<ul style="list-style-type: none"> <li>Obtain highest-possible credit rating available for debt issue.</li> <li>Formulate and implement long-term credit rating strategy.</li> </ul>
10. Assist with Sale of Bonds and Evaluate Transaction	<ul style="list-style-type: none"> <li>Assist in obtaining lowest interest rate possible for given market.</li> <li>Provide written documentation of acceptability of bond sale.</li> <li>Complete pricing analysis.</li> </ul>
11. Assist with Bond Closing	<ul style="list-style-type: none"> <li>Assist client in achieving compliance with market and regulatory requirements.</li> </ul>



The graphic to the right provides a sample financing schedule for a current City of Sunrise transaction. We prepare financing schedules alongside our clients that are different because they're thoughtful of the everyday responsibilities and realities that face many of our clients. For example, we're mindful of budget and CAFR dates, commission meetings, and other critical events, and tailor the schedule around those.

The Who, What, When, Where, Why and How are all refined working through the Plan of Finance Development/Transaction Management process and orchestrated using the timetable. This guides the various parties and provides the triggers to ensure an efficient financing process. In considering the "Who" we feel that it's best to consider that the PFM professionals listed herein are the same professionals that will have the lead responsibility for the City's service, and are the same professionals responsible for all of the recent and relevant case studies provided in this proposal. PFM financial advisors view our role as the quarterback of the team and we actively manage the process as factors evolve and obstacles arise, effectively leading clients to an efficient and effective financing.

**Staff Accessibility and Availability:**

One of the many unique aspects of PFM is the deep bench of resources available. Unlike many firms that only have 1 or 2 people dedicated to the Florida market, PFM has multiple senior professionals that will be available to the City in the event the primary contact is not available. This not only helps with covering meetings and calls on short notice, but also provides continuity in the event of unforeseen circumstances that might affect a member of the team. PFM has a demonstrated track history of providing superior service in a timely manner for our clients. This is reflected in the fact that we have relationships with many clients that stretch back over 10 years and remain intact through multiple RFP processes. In addition we continue to add clients without compromising the level of service provided.

**CITY OF SUNRISE, FLORIDA  
General Obligation Bonds, Series 2018**

2018							2019							2020						
Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat
							1	2	3	4	5	6	7	8	9	10	11	12	13	14
15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31				

Financing Schedule

Date	Event	Responsibility
Sept 17	Distribute 1 <sup>st</sup> Draft of Financing Documents and NOS	BC
Sept 21	Distribute 1 <sup>st</sup> Draft of POS	DC
Oct 4	Comments Due on POS, NOS and Financing Documents	ALL
Oct 6	Distribute 2 <sup>nd</sup> Draft of POS, NOS and Financing Documents	BC, DC
Oct 15	Comments due on POS, NOS and Financing Documents	ALL
Oct 18	Distribute revised POS, NOS and Financing Documents	BC, DC
Oct 22	Distribute Ratings Package	FA
Week of Oct 29	CALLS with Rating Agencies	CITY, FA
Oct 30	November 13 <sup>th</sup> Commission Meeting Agenda Deadline	CITY, BC
Nov 9	Receive ratings	CITY, FA
Nov 13	Adopt Bond Resolution at Commission Meeting (5:00 pm)	CITY
Nov 14	Make Arrangements for posting of Legal Advertisement	FA
Nov 15	Distribute/Post Final POS and NOS & Obtain CUSIPs	DC, FA
Nov 16	Post Legal Advertisement (SNOS in Bond Buyer)	BC, FA
Nov 28	Competitive Sale of Series 2018 Bonds	CITY, FA
Nov 30	Distribute Draft OS and Closing Documents for comment	DC, BC
Dec 5	Comments due on OS and Closing Documents	ALL
Dec 6	Print Final OS and Distribute Final Closing Documents	DC, BC
Dec 11	Pre-closing	ALL
Dec 12	Closing	ALL

**Legend**

CITY	City of Sunrise, Florida
BC	Bond Counsel – Greenberg Traurig, P.A.
DC	Disclosure Counsel – Nabors, Giblin & Nickerson, P.A.
FA	Financial Advisor – PFM Financial Advisors LLC
UW	Underwriter – TBD

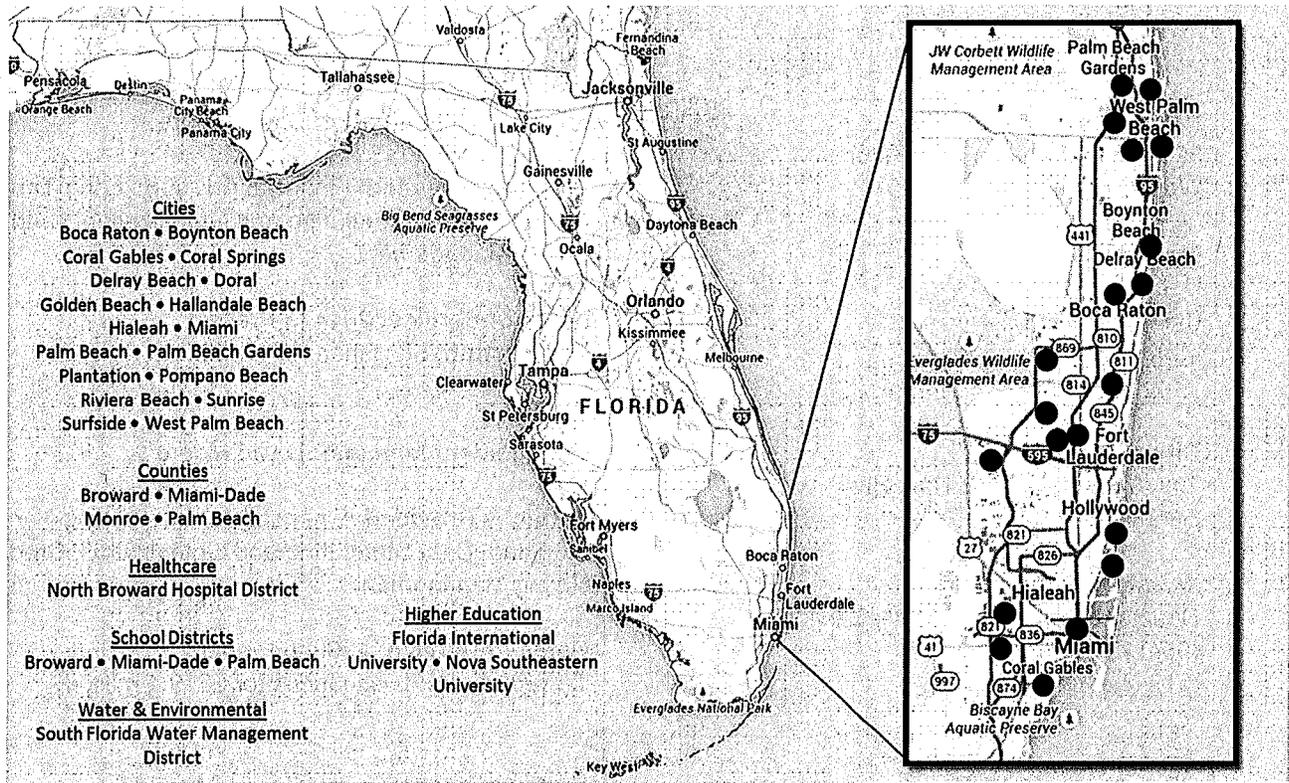


## 4.2.5 References

Provide at least three (3) references, preferably government agencies, for projects with similar scope as listed in this RFP. Information should include:

- Client Name, address, contact person telephone and e-mail addresses.
- Description of work.
- Year the project was completed.
- Total cost of the project, estimated and actual.

PFM's financial advisory business opened its first Florida office in 1986 and has been continuously providing independent financial advisory services to Florida issuers for over 30 years. As the preeminent financial advisor in the State, we are very proud of our long history serving clients in the South Florida region. The map below details the different cities, counties, and other issuers we service in the South Florida market (as of October 1, 2018). We serve more clients in this region than any other firm, and as such believe we are well positioned to serve the City of Fort Lauderdale.



Note: The list of clients is for informational purposes and does not represent an endorsement or testimonial of services by clients.



Provided below is list of references for PFM and the core team assigned to this engagement. It is important to note the length of time we have worked with many of these clients, in most cases being re-hired through multiple RFP cycles. We encourage the City to reach out to any of our clients to gauge the level of service provided. The total cost for each financing depends on a number of factors including the par amount issued. At the City's request we can provide copies of any client contracts.

<p><b>City of Boca Raton</b> 201 West Palmetto Park Road Boca Raton, FL 33432</p>  <p><b>Linda Davidson</b> Financial Services Director (561) 393-7737 <a href="mailto:ldavidso@ci.boca-raton.fl.us">ldavidso@ci.boca-raton.fl.us</a></p>	<p><b>Engagement Manager:</b> David Moore/Jay Glover</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Special Assessment Implementation, Credit Rating Management, GO Referendum Planning</p> <p><b>Dates of Service:</b> 1994 to Present <b>Transactions:</b> 16 issuances for \$260.3 million</p>
<p><b>Palm Beach County</b> 301 N. Olive Avenue, 7th Floor West Palm Beach, FL 33401</p>  <p><b>Mark Braun</b> Debt Manager (561) 355-2733 <a href="mailto:MBraun@pbcgov.com">MBraun@pbcgov.com</a></p>	<p><b>Engagement Manager:</b> David Moore</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management</p> <p><b>Dates of Service:</b> 2014 to Present <b>Transactions:</b> 8 issuances for \$351.6 million</p>
<p><b>City of Sunrise</b> 10770 West Oakland Park Blvd. Sunrise, FL 33351</p>  <p><b>Wendy Dunbar</b> Director of Finance &amp; Admin Services (954) 746-3297 <a href="mailto:WDunbar@sunrisefl.gov">WDunbar@sunrisefl.gov</a></p>	<p><b>Engagement Manager:</b> David Moore</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management</p> <p><b>Dates of Service:</b> 1998 to Present <b>Transactions:</b> 9 issuances for \$379.4 million</p>
<p><b>City of West Palm Beach</b> 401 Clematis Street, 5th Floor West Palm Beach, FL 33401</p>  <p><b>Donna Levensgood</b> Fiscal Services Manager (561) 494-1050 <a href="mailto:dlevengood@wpb.org">dlevengood@wpb.org</a></p>	<p><b>Engagement Manager:</b> Sergio Masvidal</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Budget Forecast, Debt Structuring and Optimization, Credit Rating Management, Pension Advisory/Bonds</p> <p><b>Dates of Service:</b> 2010 to Present <b>Transactions:</b> 8 issuances for \$331.1 million</p>



<p><b>City of Coral Gables</b> 405 Biltmore Way Coral Gables, FL 33114</p>  <p><b>Diana Gomez</b> Finance Director (305) 460-5275 <a href="mailto:dgomez@coralgables.com">dgomez@coralgables.com</a></p>	<p><b>Engagement Manager:</b> Jay Glover</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Special Assessment Implementation, Credit Rating Management, Pension Consulting</p> <p><b>Dates of Service:</b> 2004 to Present <b>Transactions:</b> 17 issuances for \$268 million</p>
<p><b>Town of Palm Beach</b> 360 South County Road Palm Beach, FL 33480</p>  <p><b>Jane Le Clainche</b> Director of Finance (561) 835-4724 <a href="mailto:jstruder@townofpalmbeach.com">jstruder@townofpalmbeach.com</a></p>	<p><b>Engagement Manager:</b> Jay Glover</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, Special Assessment Implementation/Utility Undergrounding</p> <p><b>Dates of Service:</b> 2013 to Present <b>Transactions:</b> 5 issuances for \$183.9 million</p>
<p><b>City of Miami</b> 444 SW Second Avenue Miami, FL 33130</p>  <p><b>Erica Paschal</b> Finance Director (305) 416-1328 <a href="mailto:Epaschal@miamigov.com">Epaschal@miamigov.com</a></p>	<p><b>Engagement Manager:</b> Sergio Masvidal</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, GO Referendum Planning</p> <p><b>Dates of Service:</b> 2011 to Present <b>Transactions:</b> 5 issuances for \$258.1 million</p>
<p><b>City of Pompano Beach</b> 100 W. Atlantic Blvd., Room 480 Pompano Beach, FL 33060</p>  <p><b>Suzette Sibble</b> Finance Director (954) 786-4680 <a href="mailto:suzette.sibble@copbfl.com">suzette.sibble@copbfl.com</a></p>	<p><b>Engagement Manager:</b> Sergio Masvidal</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Pledged Security Analysis, Credit Rating Management, GO Referendum Planning</p> <p><b>Dates of Service:</b> 2009 to Present <b>Transactions:</b> 7 issuances for \$150 million</p>



<p><b>Broward County</b> 115 S. Andrews Avenue, Fort Lauderdale, FL 33301</p>  <p><b>Stephen Farmer</b> Assistant to the Dpt Director (954) 357-7130 <a href="mailto:SFARMER@broward.org">SFARMER@broward.org</a></p>	<p><b>Engagement Manager:</b> David Moore</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management</p> <p><b>Dates of Service:</b> 2008 to Present <b>Transactions:</b> 10 issuances for \$1.04 billion</p>
<p><b>City of Coral Springs</b> 9551 West Sample Road Coral Springs, FL 33065</p>  <p><b>Kim Moskowitz</b> Director of Financial Services (954) 344-1092 <a href="mailto:kmoskowitz@coralsprings.org">kmoskowitz@coralsprings.org</a></p>	<p><b>Engagement Manager:</b> Sergio Masvidal</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management</p> <p><b>Dates of Service:</b> 2012 to Present <b>Transactions:</b> 14 issuances for \$129.4 million</p>
<p><b>School Board of Miami Dade County</b> 1450 NE Second Avenue Miami, FL 33132</p>  <p><b>Phong Vu</b> Treasurer (305)995-1633 <a href="mailto:pvu@dadeschools.net">pvu@dadeschools.net</a></p>	<p><b>Engagement Manager:</b> Sergio Masvidal</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, GO Referendum Planning</p> <p><b>Dates of Service:</b> 2017 to Present <b>Transactions:</b> 14 issuances for \$2.4 billion</p>
<p><b>Miami-Dade County</b> 111 N.W. 1st Street - Suite 2550 Miami, FL 33128-1929</p>  <p><b>Arlesa Wood</b> Senior Bond Analyst Division of Bond Administration (305) 375-2275 <a href="mailto:AL2@miamidade.gov">AL2@miamidade.gov</a></p>	<p><b>Engagement Manager:</b> Sergio Masvidal</p> <p><b>Services Provided:</b> Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, GO Referendum Planning</p> <p><b>Dates of Service:</b> 2001 to Present <b>Transactions:</b> 19 issuances for \$3.9 billion</p>



**School Board of Palm Beach County**

3300 Forest Hill Boulevard  
Suite A-334  
West Palm Beach, FL 33406



**Leanne Evans**

Treasurer  
(561) 649-6885  
[EvansL@PalmBeach.k12.fl.us](mailto:EvansL@PalmBeach.k12.fl.us)

**School Board of Broward County**

600 Southeast Third Avenue  
10th Floor  
Fort Lauderdale, FL 33301



**Ivan Perrone,**

Chief Financial Officer  
(754) 321-1980  
[ivan.perrone@browardschools.com](mailto:ivan.perrone@browardschools.com)

**Engagement Manager:** David Moore

**Services Provided:** Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, Sales Tax Referendum Planning

**Dates of Service:** 2001 to Present

**Transactions:** 52 issuances for \$5.7 billion

**Engagement Manager:** David Moore

**Services Provided:** Financial Advisory, Long-Term Planning, Debt Structuring and Optimization, Credit Rating Management, GO Referendum Planning

**Dates of Service:** 1992 to Present

**Transactions:** 50 issuances for \$5.7 billion

PFM's financial advisory business consists of Public Financial Management Inc. and PFM Financial Advisors LLC. PFM Financial Advisors LLC commenced operations on June 1, 2016, accordingly all client engagements that occurred prior to such date were effected through Public Financial Management Inc. Financial advisory relationships previously with Public Financial Management Inc. have been assigned to PFM Financial Advisors LLC the affiliate that will provide services for this engagement.



## 4.2.6 Minority/Women (M/WBE) Participation

If your firm is a certified minority business enterprise as defined by the Florida Small and Minority Business Assistance Act of 1985, provide copies of your certification(s). If your firm is not a certified M/WBE, describe your company's previous efforts, as well as planned efforts in meeting M/WBE procurement goals under Florida Statutes 287.09451.

PFM is not a minority owned firm. PFM works with small and minority owned businesses in Florida and throughout the nation and has ongoing relationships with these firms. We work with small/minority firms in Palm Beach County, Orange County, the City of Orlando and at the Central Florida Expressway Authority, to name a few.

## 4.2.7 Sub-contractors

Proposer must clearly identify any sub-contractors that may be utilized during the term of this contract.

No sub-contractors are proposed at this point in time.

## 4.2.8 Required Forms

- ✓ A. Proposal Certification
- ✓ B. Cost Proposal
- ✓ C. Questionnaire – Financial Advisory Services
- D. Non-Collusion Statement – NOT APPLICABLE
- ✓ E. Non-Discrimination Certification Form
- ✓ F. Local Business Price Preference (LBPP)
- ✓ G. Sample Insurance Certificate

PFM's completed forms are included in this section.

BID/PROPOSAL CERTIFICATION

Please Note: If responding to this solicitation through BidSync, the electronic version of the bid response will prevail, unless a paper version is clearly marked by the bidder in some manner to indicate that it will supplant the electronic version. All fields below must be completed. If the field does not apply to you, please note N/A in that field.

If you are a foreign corporation, you may be required to obtain a certificate of authority from the department of state, in accordance with Florida Statute §607.1501 (visit http://www.dos.state.fl.us/).

Company: (Legal Registration) PFM Financial Advisors LLC

Address: 1735 Market Street, 43rd Floor

City: Philadelphia State: PA Zip: 19103

Telephone No. (215) 567-6100 FAX No. (215) 567-4180 Email: moored@pfm.com

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions):

Total Bid Discount (section 1.05 of General Conditions):

Does your firm qualify for MBE or WBE status (section 1.09 of General Conditions): MBE [ ] WBE [ ]

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in the proposal:

Table with 6 columns: Addendum No., Date Issued, Addendum No., Date Issued, Addendum No., Date Issued. All cells are empty.

VARIANCES: If you take exception or have variances to any term, condition, specification, scope of service, or requirement in this competitive solicitation you must specify such exception or variance in the space provided below or reference in the space provided below all variances contained on other pages within your response. Additional pages may be attached if necessary. No exceptions or variances will be deemed to be part of the response submitted unless such is listed and contained in the space provided below. The City does not, by virtue of submitting a variance, necessarily accept any variances. If no statement is contained in the below space, it is hereby implied that your response is in full compliance with this competitive solicitation. If you do not have variances, simply mark N/A. If submitting your response electronically through BIDSUNC you must also click the "Take Exception" button.

Please see page 50 of our response for exceptions

The below signatory hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid/proposal. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the City and such acceptance covers all terms, conditions, and specifications of this bid/proposal. The below signatory also hereby agrees, by virtue of submitting or attempting to submit a response, that in no event shall the City's liability for respondent's direct, indirect, incidental, consequential, special or exemplary damages, expenses, or lost profits arising out of this competitive solicitation process, including but not limited to public advertisement, bid conferences, site visits, evaluations, oral presentations, or award proceedings exceed the amount of Five Hundred Dollars (\$500.00). This limitation shall not apply to claims arising under any provision of indemnification or the City's protest ordinance contained in this competitive solicitation.

Submitted by:

David Moore  
Name (printed)

  
Signature

10/9/18  
Date:

Managing Director  
Title

**SECTION VI - COST PROPOSAL PAGE**

**Proposer Name:** PFM Financial Advisors LLC

Proposer agrees to supply the products and services at the prices bid below in accordance with the terms, conditions and specifications contained in this RFP.

1. A. Indicate your Total Annual Firm Fixed Fee to the City, in accordance with the RFP specifications. **Please base your total annual firm fixed fee (retainer) on 120 hours.**

\$ 19,500 Fixed Annual Fee/Retainer (which will be paid quarterly)

- B. Indicate the total number of hours of service included in this firm fixed fee:

See note on following page / hrs. / per personnel assigned (attach breakdown)

- C. Indicate the hourly rate you will charge, when the City has exceeded the total number of hours stated in 1.B. above, if applicable:

\$ 200.00\* /per hour / per personnel assigned (attach breakdown)

(\*If the City requests additional services that require the use of specialists, the hourly rates will be negotiated based on the special services requested)

2. Please indicate reimbursement of "Out-of-Pocket" expenses as an annual amount not-to-exceed. Such expenses include long distance telephone, postage, air express charges, fax, reproduction and related costs necessarily incurred as Financial Advisor. Do not include travel expenses, as they will be paid as approved by the City's Finance Director, per the City's Travel Policy.

\$ 500.00 (Annual Not To Exceed)

3. Indicate all costs associated with debt issues as follows, and minimum fee if applicable:

<u>Debt Issues</u>	<u>Fee (*)</u>
Up to \$50 million	\$ <u>0.85</u>
Next \$25 million	\$ <u>0.75</u>
Next \$25 million	\$ <u>0.60</u>
Additional Amounts over \$100 million	\$ <u>0.25</u>

(\*) Per Bond Fees based upon \$1,000 denominations, and apply to each series of bonds issued.

Schedule is subject to a minimum fee of: \$ 19,500

Schedule is subject to a maximum fee of: \$ 85,000

The basis of the cost comparison calculation in addition to the annual retainer should include the following transactions:

- \$100 million Stormwater revenue bonds; \$76,250
- \$100 million Parks Improvement general obligation bonds. \$76,250
- \$200 million Water and Sewer System revenue bonds. \$85,000
- \$35 million Citywide Water Meter Replacement Program Financing \$29,750
- \$13 million Parking Revenue Bonds \$19,500

"Out-of-Pocket" expenses will not be calculated as part of the 30% weighted criteria for this RFP.

The Fixed Fee indicated on Page 1A will cover unlimited hours accrued for normal questions and basic financial advisory analysis requested by the City. Additional hourly fees will only be charged for work related to special projects and non-core financial advisory projects.

**Submitted by:**

David Moore  
Name (printed)

10/9/18  
Date

  
Signature

Managing Director  
Title

**SECTION VII – QUESTIONNAIRE – FINANCIAL ADVISORY SERVICES**

Please provide to the City the following requested information with your proposal:

1. What is your Financial Advisor (FA) "State Ranking" in the State of Florida based on dollar amount, based on the Thomson-Reuters and/or the MuniAnalytics tracking services?

ANSWER           #1 \$5.7 Billion           Tracking Service Used           MuniAnalytics          

2. What is your Financial Advisor (FA) "State Ranking" in the State of Florida based on number of issues, based on the Thomson-Reuters and/or the MuniAnalytics tracking services?

ANSWER           #1 52 Issues           Tracking Service Used           MuniAnalytics          

3. For the past year from August 1, 2017 through July 31, 2018, what is the dollar amount and the number of issues for the following:

a. Special Assessment Bonds	\$ <u>526,820,701.61</u>
	Number of issues <u>177</u>
b. Revenue Bonds	\$ <u>45,520,445,724.55</u>
	Number of issues <u>349</u>
c. GO Bonds	\$ <u>36,092,090,000.00</u>
	Number of issues <u>525</u>
d. Negotiated	\$ <u>61,459,565,724.55</u>
	Number of issues <u>461</u>
e. Competitive	\$ <u>20,591,411,000.00</u>
	Number of issues <u>405</u>

**Submitted by:** PFM Financial Advisors LLC

David Moore  
Name (printed)

10/9/18  
Date

  
Signature

Managing Director  
Title

**CONTRACTOR'S CERTIFICATE OF COMPLIANCE WITH  
NON-DISCRIMINATION PROVISIONS OF THE CONTRACT**

The completed and signed form should be returned with the Contractor's submittal. If not provided with submittal, the Contractor must submit within three business days of City's request. Contractor may be deemed non-responsive for failure to fully comply within stated timeframes.

Pursuant to City Ordinance Sec. 2-17(a)(i)(ii), bidders must certify compliance with the Non-Discrimination provision of the ordinance.

- (a) Contractors doing business with the City shall not discriminate against their employees based on the employee's race, color, religion, gender (including identity or expression), marital status, sexual orientation, national origin, age, disability or any other protected classification as defined by applicable law.

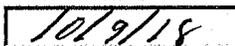
**Contracts.** Every Contract exceeding \$100,000, or otherwise exempt from this section shall contain language that obligates the Contractor to comply with the applicable provisions of this section.

The Contract shall include provisions for the following:

- (i) The Contractor certifies and represents that it will comply with this section during the entire term of the contract.
- (ii) The failure of the Contractor to comply with this section shall be deemed to be a material breach of the contract, entitling the City to pursue any remedy stated below or any remedy provided under applicable law.

  
 Authorized Signature

David Moore, Mng. Director  
 Print Name and Title

  
 Date





CERTIFICATE OF AUTHORITY

September 27, 2018

As Secretary of PFM Financial Advisors LLC ("PFM"), I affirm that David Moore, James Glover and Sergio Masvidal, Managing Directors of this firm, are authorized to make, enter into, sign, seal and deliver on behalf of the company contractual documents in connection with this City of Fort Lauderdale proposal and/or agreement.

PFM Financial Advisors LLC

  
Cheryl D. Maddox  
Secretary

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/27/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

Table with 2 main columns: PRODUCER (Conner Strong & Buckelew) and CONTACT NAME (Great Northern Insurance Company). Includes details for insured PFM Financial Advisors LLC and various insurers (A-F).

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Main table listing insurance coverages: A (Commercial General Liability), B (Umbrella Liability), C (Workers Compensation), and A (Property). Includes columns for INSR LTR, TYPE OF INSURANCE, POLICY NUMBER, POLICY EFF, POLICY EXP, and LIMITS.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

- PROPERTY LIMITS:
- PERSONAL PROPERTY & EDP BLANKET LIMIT: \$8,277,500
- BUSINESS INCOME WITH EXTRA EXPENSE BLANKET LIMIT: \$2,202,500
- ACCOUNTS RECEIVABLE BLANKET LIMIT: \$615,000
- VALUABLE PAPERS BLANKET LIMIT: \$298,750

CERTIFICATE HOLDER CANCELLATION

Table with 2 columns: EVIDENCE OF COVERAGE and CANCELLATION. Includes a signature for the authorized representative.





## Minimum Qualifications

PFM's financial advisory business meets or exceeds all of the minimum requirements as set forth in section 2.16 of the RFP.

### **I. Proposer shall disclose any pending investigations of the firm or disciplinary actions taken within the past three (3) years by the SEC, FINRA, MSRB or other regulatory bodies.**

PFM Financial Advisors LLC has no pending investigations or disciplinary actions taken against it by the SEC, FINRA, MSRB or other regulatory bodies with the past three (3) years.

### **2.16.3 Firm or principals shall have no record of judgments, pending lawsuits against the City or criminal activities involving moral turpitude and not have any conflicts of interest that have not been waived by the City Commission.**

To the best of our knowledge, neither PFM Financial Advisors LLC nor any of its principals have judgments, lawsuits against the City or criminal activities involving moral turpitude.

### **2.16.4 Neither firm nor any principal, officer, or stockholder shall be in arrears or in default of any debt or contract involving the City, (as a party to a contract, or otherwise); nor have failed to perform faithfully on any previous contract with the City.**

To the best of our knowledge, neither PFM Financial Advisors LLC nor any of its principals, officer, or stockholders are in arrears or in default of any debt or contract involving the City, nor has it failed to perform faithfully on any previous contract with the City.

## **Additional Information**

### **PFM's standard FA provisions**

If PFM Financial Advisors LLC is awarded the engagement, we respectfully request the inclusion of certain provisions in the resulting contract that are regulatory requirements driven by our status as a municipal advisor registered with the Securities and Exchange Commission ("SEC") and with the Municipal Securities Rulemaking Board ("MSRB") (e.g., municipal advisor description; the scope of MA services, form and basis of compensation, termination or withdrawal of the client relationship, conflicts of interest disclosure, and our disclosure of any legal and disciplinary events).



# Appendices



## A. Licenses and Registrations



FLORIDA DEPARTMENT OF STATE  
Division of Corporations

June 22, 2016

CORPORATE ACCESS, INC.

Qualification documents for PFM FINANCIAL ADVISORS LLC were filed on June 21, 2016, and assigned document number M16000004976. Please refer to this number whenever corresponding with this office.

Your limited liability company is authorized to transact business in Florida as of the file date.

To maintain "active" status with the Division of Corporations, an annual report must be filed yearly between January 1st and May 1st beginning in the year following the file date or effective date indicated above. If the annual report is not filed by May 1st, a \$400 late fee will be added.

A Federal Employer Identification Number (FEI/EIN) will be required when this report is filed. Apply today with the IRS online at:

<https://sa.www4.irs.gov/modiein/individual/index.jsp>.

Please notify this office if the limited liability company address changes.

Should you have any questions regarding this matter, please contact this office at the address given below.

Stacey M Warren  
Regulatory Specialist II  
Registration/Qualification Section  
Division of Corporations

Letter Number: 616A00013115

[www.sunbiz.org](http://www.sunbiz.org)

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

OFFICE OF  
THE SECRETARY

May 4, 2016

IN THE MATTER OF:

PFM Financial Advisors LLC  
Two Logan Square, Suite 1600  
18<sup>th</sup> & Arch Streets  
Philadelphia, PA 19103-2700

SEC FILE NO.: 867-02030  
Application Completion Date: May 3, 2016

ORDER GRANTING  
REGISTRATION PURSUANT  
TO SECTION 15B(a)(2) OF  
THE SECURITIES EXCHANGE  
ACT OF 1934

The above-named Applicant has completed its application with the Commission for registration as a municipal advisor pursuant to Section 15B(a)(2) of the Securities Exchange Act of 1934 (the "Act") on the above-referenced application completion date.

The Commission finds that the application contains the information prescribed under Section 15B(a)(2) of the Act and the rules thereunder. The Commission has not passed on the accuracy or adequacy of the information, and the effectiveness of Applicant's registration does not imply Commission approval or disapproval of Applicant's registration.

Accordingly, it is ORDERED, pursuant to Section 15B(a)(2) of the Act, that the Applicant's registration be, and hereby is, granted, effective forthwith.

For the Commission, by the Office of Compliance Inspections and Examinations, pursuant to delegated authority.

Brent J. Fields,  
Secretary

**MSRB Registration - Form A-12: Preview****FIRM/SOLE PROPRIETORSHIP IDENTIFIERS**

MSRB ID: K1162

Firm Name: PFM Financial Advisors LLC

Municipal Advisor SEC ID: 867-02030

CRD Number:

Legal Entity Identifier:

**BUSINESS INFORMATION**

Firm Address: 1735 Market Street, 43rd Floor

City: Philadelphia State: PA Zip: 19103

Firm Website: www.pfm.com

**TYPE OF ORGANIZATION**

Organization Type: Limited Liability Company (LLC) City: Wilmington State: DE

**BUSINESS ACTIVITIES****Municipal Advisor**

- Issuance Advice
- Guaranteed Investment Contracts Advice
- Investment Advice - Proceeds of Municipal Securities
- Investment Advice - Funds of Municipal Entity
- Municipal Derivatives Advice
- Solicitation of Business - Investment Advisory
- Municipal Escrow Investment Advice
- Municipal Escrow Investment Brokerage
- Solicitation of Business - Other than Investment Advisory
- Municipal Advisor/Underwriter Selection Advice

**DESIGNATED CONTACTS****Master Account Administrator**

Name	Phone	Email
Jennifer L Berrier	(717) 231-6219	berrierj@pfm.com

**Primary Regulatory Contact**

Name	Phone	Email
John Bonow	(215) 567-6100	bonowj@pfm.com

**Billing Contact**

Name	Phone	Email
Steve Boyle	(215) 567-6100	boyles@pfm.com

**Compliance Contact**

Name	Phone	Email
Leo J Karwejna	(717) 213-3847	karwejnal@pfm.com

**Primary Data Quality Contact**

Name	Phone	Email
Gloria Wells	(717) 232-2723	wellsg@pfm.com

**Optional Regulatory Contact**

**Name**

Jennifer L Berrier

**Phone**

(717) 231-6219

**Email**

berrierj@pfm.com

**Optional Data Quality Contact**

No contact designated.

**Optional Technical Contact**

No contact designated.

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(10.110.40.82)



January 3, 2019

James Hemphill, Asst. Procurement and Contacts Manager  
City of Fort Lauderdale  
Procurement Services Division  
100 N. Andrews Avenue, #619  
Fort Lauderdale, FL 33301

RE: Request for Proposal for Financial Advisory Services

**pfm**

300 S. Orange Avenue  
Suite 1170  
Orlando, FL 32801  
407.648.2208

[pfm.com](http://pfm.com)

Dear Mr. Hemphill:

PFM Financial Advisors LLC (PFM) appreciates the opportunity to submit our Best and Final Offer per your letter of December 26, 2018. We would like to highlight our original fee proposal offered a significant reduction from the fees currently paid by the City. PFM's proposal offers lower "per bond" fees and a cap on transaction fees. The cap offers the City material savings since many of the City's financings are large and the City has paid fees well in excess of \$100,000 in the past, whereas PFM proposes a cap of \$85,000. We respectfully request that the City carefully consider this material feature when evaluating the proposed fees.

In the attached document we have adjusted our fee proposal in two ways. First, we reduced the annual retainer to \$12,000. Second, we offer a new client discount of 50% related to the upcoming Stormwater revenue bond financing that saves the City over \$38,000.

We look forward to the opportunity to serve the City and stand ready to begin work immediately.

Sincerely,

David M. Moore  
Managing Director

James W. Glover  
Managing Director

Sergio Masvidal  
Managing Director



December 26, 2018

PFM Financial Advisors LLC  
David M. Moore, Managing Director  
300 S. Orange Ave.  
Orlando, Florida 32801  
Phone: (407) 648-2208  
Email: [Moored@pfm.com](mailto:Moored@pfm.com)

**REF: RFP No. 12184-695, Financial Advisory Services**

Dear Proposer:

The City of Fort Lauderdale, Procurement Services Division, is continuing to evaluate the responses received for RFP No. 12184-695, Financial Advisory Services.

In order to better evaluate and minimize costs to the City, the City is requesting that each short listed proposer submit a "Best and Final Offer".

Attached you will find the form to be completed and returned to the City of Fort Lauderdale. Do not use any other method to submit your information. The form will need to be returned via sealed bid envelope no later than **2:00 pm on January 4<sup>rd</sup>, 2019**. Your submittal envelope must state the following information on the outside of the envelope:

RFP 12184-695  
Financial Advisory Services  
"Best and Final Offer"  
Opening Date: **January 4<sup>rd</sup>, 2019**

Sincerely,

James Hemphill  
Asst. Procurement and Contracts Manager  
Procurement Services Division

Attachments

RFP 12184-695, Financial Advisory Services  
Best and Final Offer



**BEST AND FINAL OFFER**

**SECTION VI - COST PROPOSAL PAGE**

**Proposer Name: PFM Financial Advisors LLC**

Proposer agrees to supply the products and services at the prices bid below in accordance with the terms, conditions and specifications contained in this RFP.

1. A. Indicate your Total Annual Firm Fixed Fee to the City, in accordance with the RFP specifications. **Please base your total annual firm fixed fee (retainer) on 120 hours.**

\$19,500 \$12,000 Fixed Annual Fee/Retainer (which will be paid quarterly)

- B. Indicate the total number of hours of service included in this firm fixed fee:

120\* / hrs. / per personnel assigned (attach breakdown)

*(\*Additional hourly fees will only be charged for work related to special projects and non-core financial advisory projects)*

- C. Indicate the hourly rate you will charge, when the City has exceeded the total number of hours stated in 1.B. above, if applicable:

\$200.00\*\* /per hour / per personnel assigned (attach breakdown)

*(\*\*If the City requests additional services that require the use of specialists, the hourly rates will be negotiated based on the special services requested)*

2. Please indicate reimbursement of "Out-of-Pocket" expenses as an annual amount not-to-exceed. Such expenses include long distance telephone, postage, air express charges, fax, reproduction and related costs necessarily incurred as Financial Advisor. Do not include travel expenses, as they will be paid as approved by the City's Finance Director, per the City's Travel Policy.

\$500.00 (Annual Not To Exceed)

3. Indicate all costs associated with debt issues as follows, and minimum fee if applicable:

<b><u>Debt Issues</u></b>	<b><u>Fee (*)</u></b>
Up to \$50 million	<u>\$0.85</u>
Next \$25 million	<u>\$0.75</u>
Next \$25 million	<u>\$0.60</u>
Additional Amounts over \$100 million	<u>\$0.25</u>

**REGISTERED MUNICIPAL ADVISOR; REQUIRED DISCLOSURES**

1. PFM is a registered municipal advisor with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the Securities Exchange Act of 1934 Rule 15Ba1-2. If Client has designated PFM as its independent registered municipal advisor (“IRMA”) for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the “IRMA exemption”), then services provided pursuant to such designation shall be the services described in Exhibit A to the Agreement for Financial Advisory Services, subject to any limitations provided therein.

2. MSRB Rules require that municipal advisors make written disclosures to their clients of all material conflicts of interest, certain legal or disciplinary events and certain regulatory requirements. Such disclosures are provided in PFM’s Disclosure Statement delivered to Client together with this Agreement.