



Amendment No. 2  
to  
Contract No. PA160000060  
for  
Financial Advisor Services  
Between  
Public Financial Management Inc., dba PFM Asset Management LLC.  
and the  
City of Austin

- 1.0 The Contract is hereby amended as follows: Change the vendor name as requested and documented by the vendor.

	From	To
<b>Vendor Name</b>	Public Financial Management Inc., dba PFM Asset Management LLC.	PFM Financial Advisors LLC.
<b>Vendor Code</b>	PUB7009320	V00000946215
<b>FEIN</b>	[REDACTED]	[REDACTED]

- 2.0 All other terms and conditions of the Contract remain unchanged and in full force and effect.

**BY THE SIGNATURE** affixed below, this Amendment No. 2 is hereby incorporated into and made a part of the Contract.



Linell Goodin-Brown  
Contract Management Supervisor II  
City of Austin, Purchasing Office



Date



Amendment No. 1  
to 16<sup>23</sup>  
Contract No. MA 7400 PA170000060  
for  
Financial Advisor Services  
between  
PFM Financial Advisors LLC  
and the  
City of Austin, Texas.


- 1.0 The City hereby amends the above referenced contract to include Colony Park Development Implementation Support services. All work and tasks described in Exhibit 1A (Proposal for Colony Park Development Implementation Support; EPS #161104) shall be performed and completed under the above referenced contract.
- 2.0 Actions on the contract are recapped below:

Contract Action	Contract Action Amount	Total Contract Amount
Basic Term: 4/22/2017 – 4/21/2022	\$1,500,000	\$1,500,000
Incorporate Scope of Services for Colony Park Development Implementation Support	\$0	\$1,500,000

- 3.0 ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated and made a part of the above referenced contract.

Signature & Date:

 04-25-17  
Printed Name: DENNIS P. WALEY  
Authorized Representative, PFM Financial Advisors LLC

Signature & Date:

 4-25-17  
Sandy Brandt, Procurement Specialist IV  
City of Austin Purchasing Office

April 20, 2017

Christine Maguire  
City of Austin, Economic Development Department

Sent via email to: Christine.Maguire@austintexas.gov

Subject: Proposal for Colony Park Development Implementation Support;  
EPS #161104

Dear Christine:

Thank you for your interest in retaining Economic & Planning Systems (EPS) to continue our analysis of the feasibility and implementation issues for the Colony Park project and to assist the City in selecting a preferred developer partner. We understand that for administrative purposes it is timely that we update our previous agreement to identify work still to be completed as of April 24, 2017.

## **Proposed Scope of Services**

The work previously conducted by EPS has included market research and feasibility analysis to estimate development and land values for the Master Plan development program and an alternative land use program, forecasting of revenues compared to infrastructure costs, projection of financial returns for the overall project and by phase, and exploration of alternative funding mechanisms to close the financial gap between revenues and costs to make this an attractive investment opportunity for developers. At this time, we believe there is value in conducting the following pre-solicitation tasks, as well as tasks that support the City in the selection of a preferred developer for exclusive negotiations:

### **Task 1: Value Engineering of Infrastructure Costs**

This task has been completed, and no additional budget is requested at this time.

### **Task 2: Assist with Pre-Solicitation Meeting (Developer Forum)**

This task has been completed, and no additional budget is requested at this time.

### **Task 3: Evaluate Master Plan Feedback and Inform Revised RFQ Language**

This task has been completed, and no additional budget is requested at this time.

*The Economics of Land Use*



Economic & Planning Systems, Inc.  
One Kaiser Plaza, Suite 1410  
Oakland, CA 94612  
510 841 9190 tel  
510 740 2080 fax

Oakland  
Sacramento  
Denver  
Los Angeles

[www.epsys.com](http://www.epsys.com)

#### **Task 4: Participate in RFQ Pre-Submittal Meeting and Correspondence**

After City issuance of the RFQ, EPS will participate in a supporting role at procurement staff's RFQ pre-submittal meeting. This meeting for interested developers will introduce the Colony Park development opportunity, offer a tour of the property, and provide a venue to answer questions about the offering. EPS will participate by answering questions at the meeting, as well as drafting responses to financial questions submitted during the solicitation. This task will include EPS travel to Austin for the pre-submittal meeting. EPS's budget for this task is **\$5,000**.

#### **Task 5: Evaluate RFQ Responses and Create Shortlist**

EPS will assist in preparing an evaluation of the RFQ submissions, and will document the evaluations on a comparable and objective basis. In particular, EPS will be responsible for reviewing developers' financial statements and contacting financial references, though we will also review the responses in their entirety. As a part of this task, EPS will evaluate the response components based on a clearly defined set of criteria, obtain supplemental information as needed, and provide a concise summary of recommendations. EPS will travel to Austin to participate in a selection committee meeting to identify the preferred candidates for advancement to the next stage of the solicitation process (the Request for Business Plan or "RFBP" stage). EPS's budget for this task is **\$11,000**.

#### **Task 6: Inform the Request for Business Plan (RFBP)**

EPS will assist in the finalization of documents for the second phase of the developer solicitation, called here the Request for Business Plan (RFBP). The shortlisted developers will be asked to provide a more specific plan for development, including the mix and location of various land uses, a phasing strategy, and a financing plan, as well as general business terms for the land transaction with the City. In addition to refining the draft RFBP, EPS will create a pro forma template for all shortlisted developers to use, so that RFBP responses can be compared to each other on an "apples-to-apples" basis. EPS does not anticipate that any travel will be required for this task. EPS's budget for this task is **\$9,000**. This figure represents an increase from our previous proposal, as the City has requested that EPS take more of a leading role in completion of the RFBP than was previously assumed.

#### **Task 7: Conduct RFBP Pre-Submittal Correspondence**

City's procurement staff will establish protocols for receiving and responding to inquiries during the RFBP response preparation period, and EPS will be available during this period for assisting in preparing replies. It is assumed that procurement staff will serve as the primary recipient and distributor of questions and answers. EPS's budget for this task is **\$4,000**, and does not anticipate that any travel will be required for this task.

#### **Task 8: Evaluate RFBP Responses**

EPS will assist in preparing an evaluation of the RFBP submissions, and will document the evaluations on a comparable and objective basis. As a part of this task, EPS and City staff will evaluate the developer responses based on a clearly defined set of criteria, obtain supplemental information as needed, and provide a concise summary of the analysis. In particular, EPS will be responsible for reviewing developers' financial assumptions and offers, though we will also review the proposals in their entirety. EPS's budget for this task is **\$12,000**, which we do not anticipate requiring any EPS travel to Austin.

### **Task 9: Preferred Developer Selection Meetings and Interviews**

The preferred master developer candidate will be selected from shortlisted candidates based on their business plan for implementation. This plan will include anticipated financing, estimates of cost, revenues, cash flow, development program and sequencing, and developer-recommended refinements and amendments to the Colony Park Master Plan. The plans will be evaluated by a multi-disciplined team including City staff and consultants. EPS will participate as part of the evaluation team, offering objective and comparable feedback, and facilitating questions.

EPS will participate in up to two consecutive days of meetings in Austin for the developer selection process, including meeting with the selection panel and interviews with the top developer candidates. EPS will prepare questions in advance with City staff and provide new questions as may be appropriate during the interviews themselves. The interview panel will document the performance and responses of the candidates during the interviews and incorporate the evaluations into a final ranking of developer candidates. EPS's budget for this task is **\$10,000**.

### **Task 10: Communication with Colony Park Stakeholders**

The Colony Park project has involved considerable engagement with stakeholders, including neighborhood representatives as well as City officials. EPS anticipates that it will be important to continue this engagement to maintain support for the Colony Park project as it approaches implementation. In addition to the in-person meetings included in tasks above, at the request of City staff, EPS will be available to participate in up to **two (2)** meetings with community stakeholders, City staff, and/or elected officials to discuss the feasibility analysis, developer solicitation process and findings, and other aspects of the implementation of the Colony Park project. The timing, purpose, and content of these meetings will be determined by City staff as the financial analysis and solicitation process evolve. In addition to those two formal meetings, EPS has been and will continue to be involved in the City's discussions with community members and other stakeholders, primarily through periodic conference calls.

EPS's budget for this task is **\$9,000** and includes EPS's costs for preparation and participation in these meetings, as well as travel expenses as necessary. This figure represents an increase from our previous proposal to reflect our participation in the periodic conference calls, which were not expressly anticipated in the previous scope.

## **Overall Budget**

The proposed budgets for the tasks described above sum to **\$60,000**, including both professional services and direct expenses for requested travel. This total budget shall not be exceeded without prior written approval from the City of Austin. However, we do request that the budgets for individual tasks described above be fungible so that, for instance, cost savings on one task can be transferred to funding available for another task. This is particularly important given that we do not yet know how many developers may respond to the solicitation. Please note that as with past and ongoing assignments, EPS will endeavor to be efficient in our travel arrangements for this project, scheduling travel to capitalize on other assignments we have in and around Austin to make optimal use of our time and expenses.

If desired by the City, following completion of the tasks described above including the selection of a preferred developer partner, EPS will be pleased to be considered to assist the City in negotiating business terms for a formalized public/private partnership. This may involve a variety of services including without limitation: refined market and feasibility analysis; financing strategies including

public participation on costs and revenues; drafting of term sheets and key sections of a Master Development Agreement or related documents; and continued communications with stakeholders and elected officials. Such services, if desired, would require a contract amendment to augment the budget for services described in this proposal.

### **EPS Qualifications**

The requested consulting services require expertise specific to the planning and implementation of master planned communities involving public and private investment, as well as an understanding of development and real estate economics in the City of Austin context.

Since early 2015, EPS has provided economic analysis and financial forecasting for Colony Park and is familiar with the objectives, opportunities and challenges of the project, the effective communication of which will be essential to the success of the solicitation its implementation. EPS has worked with community representatives, City staff from various departments, and other project consultants to explore feasibility considerations for Colony Park. EPS also has assisted with the planning and implementation of other local developments ranging from redevelopment areas such as the Robert Mueller Municipal Airport, Seaholm Power Plant and Green Water Treatment sites, to more traditional "greenfield" development projects including Whisper Valley, Indian Hills, and WildHorse Ranch. Presently, EPS is assisting both Travis County and Central Health with developer solicitation and selection processes for public/private real estate projects. Moreover, EPS brings nationwide experience in public/private development planning and implementation, including current or recent projects for the Hawaii Housing Finance and Development Corporation, the Port of San Francisco, and the Denver area's Regional Transit District.

Thank you for your consideration of EPS to undertake this interesting and important assignment. If you have any questions or suggestions regarding our proposal or qualifications for this assignment, please contact me at 510-841-9190 or [dsmith@epsys.com](mailto:dsmith@epsys.com).

Sincerely,

ECONOMIC & PLANNING SYSTEMS, INC.



Darin Smith  
Managing Principal



# City of Austin

## Purchasing Office, Financial Services Department

P.O. Box 1088, Austin, TX 78767

April 7, 2017

PFM Financial Advisors LLC  
Dennis Waley  
221 West 6<sup>th</sup> Street, Suite 1900  
Austin, TX 78701  
waleyd@pfm.com

Dear Mr. Waley:

The Austin City Council approved the execution of a contract with your company for Financial Advisor Services in accordance with the referenced solicitation.

Responsible Department:	Financial Services Department - Treasury
Department Contact Person:	Art Alfaro
Department Contact Email Address:	Art.Alfaro@austintexas.gov
Department Contact Telephone:	(512) 974-7882
Project Name:	Financial Advisor Services
Contractor Name:	PFM Financial Advisors LLC
Contract Number:	MA 7400 PA160000060
Contract Period:	4/22/2017 – 4/21/2022
Dollar Amount	Not to exceed \$1,500,000 for the initial term
Extension Options:	Three 12-month extension options
Requisition Number:	RQM 7400 16052300474
Solicitation Type & Number:	RFQS 7400 SMB0301
Agenda Item Number:	66
Council Approval Date:	9/1/2016

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact the person referenced under Department Contact Person.

Sincerely,



Sandy Brandt  
Procurement Specialist IV  
City of Austin  
Purchasing Office

cc: Art Alfaro, Financial Services Department - Treasury



**CONTRACT BETWEEN THE CITY OF AUSTIN ("City")  
AND  
PFM Financial Advisors LLC ("Contractor")  
for  
Financial Advisor Services  
Contract # MA 7400 PA160000060**

The City accepts the Contractor's Offer (as referenced in Section 1.1.3 below) for the above requirement and enters into the following Contract.

This Contract is between PFM Financial Advisors LLC having offices at 221 West 6<sup>th</sup> Street, Suite 1900, Austin, Texas 78701, and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of April 22, 2017 ("Effective Date").

Capitalized terms used but not defined herein have the meanings given them in Solicitation Number RFQS SMB0301.

**1.1 This Contract is composed of the following documents:**

- 1.1.1 This document
- 1.1.2 The City's Solicitation, Request for Qualifications Statement, SMB0302 including all documents incorporated by reference
- 1.1.3 PFM Financial Advisors LLC's Offer, dated July 11, 2016, including subsequent clarifications

**1.2 Order of Precedence.** Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 This document
- 1.2.2 The City's Solicitation as referenced in Section 1.1.2, including all documents incorporated by reference
- 1.2.3 The Contractor's Offer as referenced in Section 1.1.3, including subsequent clarifications.

**1.3 Term of Contract.** The Contract will be in effect for an initial term of 60 months and may be extended thereafter for up to three 12-month extension options, subject to the approval of the Contractor and the City Purchasing Officer or his designee. See the Term of Contract provision in Section 0400 for additional Contract requirements.

**1.4 Compensation.** The Contractor shall be paid a total not-to-exceed amount of \$1,500,000, for the initial Contract term and \$300,000 for each extension option. Payment shall be made upon successful completion of services as outlined in each individual Delivery Order.

**1.5 Quantity of Work.** There is no guaranteed quantity of work for the period of the Contract and there are no minimum order quantities. Work will be on an as needed basis as specified by the City for each Delivery Order

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.




In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

**PFM FINANCIAL ADVISORS LLC**

**CITY OF AUSTIN**

Dennis P. Waley

Printed Name of Authorized Person



Signature

Managing Director

Title:

4-6-17

Date:

Sandy Brandt

Printed Name of Authorized Person



Signature

Procurement Specialist IV

Title:

4-7-17

Date:

**List of Exhibits**

Exhibit A

RFQS 7400 SMB0302

Exhibit B

Contractor's Offer

Exhibit C

Fee Schedule



**CITY OF AUSTIN, TEXAS**  
**Purchasing Office**  
**REQUEST FOR QUALIFICATION STATEMENTS (RFQS)**  
**OFFER SHEET**

**SOLICITATION NO:** RFQS SMB0301

**DATE ISSUED:** June 20, 2016

**REQUISITION NO.:** RQM 7400 16052300474

**COMMODITY CODE:** 94648

**FOR CONTRACTUAL AND TECHNICAL  
ISSUES CONTACT THE FOLLOWING  
AUTHORIZED CONTACT PERSON:**

Sandy Brandt  
Senior Buyer Specialist  
**Phone: (512) 974-1783**  
**E-Mail: Sandy.Brandt@austintexas.gov**

Tracy Franklin  
Corporate Contract Administrator  
**Phone: (512) 974-2034**  
**E-Mail: Tracy.Franklin@austintexas.gov**

**COMMODITY/SERVICE DESCRIPTION:** Financial Advisor  
Services

**NON-MANDATORY PRE-RESPONSE CONFERENCE TIME AND  
DATE:** 2:00pm local time on June 22, 2016

**LOCATION:** Purchasing Office Conference Room (3<sup>rd</sup> Floor of  
Municipal Building)  
124 W. 8<sup>th</sup> Street, Austin, TX 78767

Or call in by dialing (512) 974-9300, participant code 464410

**RESPONSES DUE PRIOR TO:** July 12, 2016 at 2pm local time

**RESPONSE CLOSING TIME AND DATE:** July 12, 2016 at  
2:15pm local time

**LOCATION:** MUNICIPAL BUILDING, 124 W 8<sup>th</sup> STREET  
RM 308, AUSTIN, TEXAS 78701

**LIVE SOLICITATION CLOSING ONLINE:** For RFQS's, only the  
names of respondents will be read aloud

For information on how to attend the Solicitation Closing online,  
please select this link:

<http://www.austintexas.gov/departments/bid-opening-webinars>

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:**

Address for US Mail (Only)	Address for Fedex, UPS, Hand Delivery or Courier Service
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # RFQS SMB0301	Purchasing Office-Response Enclosed for Solicitation # RFQS SMB0301
P.O. Box 1088	124 W 8 <sup>th</sup> Street, Rm 310
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

**NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.**

**All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.**

**SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY OF YOUR RESPONSE ON FLASH DRIVE**

**\*\*\*SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT\*\*\***

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4-6
0500	SCOPE OF WORK	7-9
0600	RESPONSE PREPARATION INSTRUCTIONS & EVALUATION FACTORS	10-12
0700	REFERENCE SHEET	13
0800	NON-DISCRIMINATION CERTIFICATION	*
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0900	MBE/WBE PROCUREMENT PROGRAM PACKAGE NO GOALS FORM – Complete & return	14-15

**\* Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the \* Sections are available on the Internet at the following online address:**

[http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm#STANDARDBIDDOCUMENTS](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS)

**If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8<sup>th</sup> Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.**

#### **INTERESTED PARTIES DISCLOSURE**

**In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 “Certificate of Interested Parties” that is signed and notarized for a contract award requiring council authorization. The “Certificate of Interested Parties” form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury prior to final contract execution.**

[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

**The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.**

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Federal Tax ID No. \_\_\_\_\_

Printed Name of Officer or Authorized  
Representative: \_\_\_\_\_

Title: \_\_\_\_\_

Signature of Officer or Authorized  
Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

**\* Qualifications Statement must be submitted with this Offer sheet to be considered for award**

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0400: SUPPLEMENTAL PURCHASE PROVISIONS**  
**RFQS SMB0301: FINANCIAL ADVISOR SERVICES**  
**REVISED PER ADDENDUM #2**

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office no later than five business days prior to the Solicitation Due Date.

2. The City may terminate the contract due to the Contractor's conflict of interest or perceived conflict of interest. The City has the sole discretion to determine a conflict of interest or perceived conflict of interest.
3. Joint responses will not be considered.
4. Contractor shall not participate on any City of Austin debt issuances as an underwriter, even if allowed by MSRB Rule G-23.
5. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office  
P. O. Box 1088  
Austin, Texas 78767

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
  - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).

**CITY OF AUSTIN PURCHASING OFFICE  
SECTION 0400: SUPPLEMENTAL PURCHASE PROVISIONS  
RFQS SMB0301: FINANCIAL ADVISOR SERVICES**

**REVISED PER ADDENDUM #2**

- (1) The policy shall contain the following provisions:
  - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
  - (b) Contractor/Subcontracted Work.
  - (c) Products/Completed Operations Liability for the duration of the warranty period.
  - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.
- (2) The policy shall also include these endorsements in favor of the City of Austin:
  - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
  - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
  - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
  - (1) The policy shall include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
    - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
- iv. **Professional Liability Insurance:** The Contractor shall provide coverage, at a minimum limit of \$5,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Agreement.

If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.

- C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

**6. TERM OF CONTRACT:**

- A. The Contract shall be in effect for an initial term of 60 months and may be extended thereafter for up to three additional 12-month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.
- B. Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this agreement for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 days unless mutually agreed on in writing).
- C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above.

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0400: SUPPLEMENTAL PURCHASE PROVISIONS**  
**RFQS SMB0301: FINANCIAL ADVISOR SERVICES**  
**REVISED PER ADDENDUM #2**

7. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)

- A. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin
Department	Treasury Office
Attn:	Debt Manager
Address	P.O. Box 2106
City, State Zip Code	Austin, TX 78768

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.



**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0500: SCOPE OF WORK**  
**RFQS SMB0301: FINANCIAL ADVISOR SERVICES**

**A. PURPOSE**

The City of Austin, Texas, hereinafter referred to as the “City,” through the Financial and Administrative Services Department is requesting statements of qualifications from firms interested in providing Financial Advisor Services to the City.

**B. BACKGROUND**

Incorporated in 1839, the City operates under a Council-Manager form of government under its home rule charter. As a result of an amendment to the Austin City Charter approved at an election held in November, 2012, the configuration of the City Council has changed from a seven member council, comprised of a Mayor and six council members elected at large, to an eleven member council, with the Mayor elected at large, and the remaining members elected from ten single member districts. The first council election held in accordance with the 2012 amendment to the City Charter was held November 4, 2014.

The City’s major activities include police and fire protection, emergency medical services, parks and libraries, public health and social services, planning and zoning, general administrative services, solid waste disposal, and maintenance of bridges, streets and storm drains. The City owns and operates several major enterprises including Austin Energy, Austin Water, an airport and two public event facilities.

The City’s leaders look towards and plan for the future. The City’s approach of balancing the budget by not relying on one-time solutions, while at the same time making key investments in the community, the infrastructure, the economy, the sustainability, and its employees is providing a 21st century “best-managed” model for cities all around the country. A key City financial policy requires annual preparation of a five-year financial forecast projecting revenues and expenditures for all operating funds. This forecast is used as a tool to develop the following year’s operating budget. As directed by the financial policies, the City’s budgeting approach emphasizes fiscal responsibility by limiting spending in a given year to projected revenue collections.

In addition, the City annually prepares a five-year Capital Improvement Project (CIP) Plan that outlines all capital projects in progress, those that will be implemented in the five-year horizon, and related funding sources. During 2014, the City completed its first Long-Range CIP Strategic Plan, which covers a 10-year planning horizon, improving the transparency of the City’s long-term infrastructure plans. This plan further aligns the City’s CIP investments with the Imagine Austin Comprehensive Plan as the City strives to strike a balance between ongoing capital needs necessary to maintain services for a growing community and strategic investments that support community priorities.

On November 5, 2013, voters approved \$65 million in general obligation debt for affordable rental and ownership housing as well as preservation of existing affordable housing stock. The City is implementing projects authorized by this election as well as projects authorized in the November 2012 election, when Austin voters approved a \$307 million general obligation bond program that includes transportation and mobility projects, as well as projects for open space and watershed protection, parks and recreation, public safety, health and human services, and library, museum and cultural arts facilities. This bond program is being overseen by the Council-appointed Bond Oversight Committee, which is charged with ensuring efficiency, equity, timeliness, and accountability in the implementation of the program.

Maintaining sound financial and economic development policies within the City organization allows for a high level of services to the community. Because of consistent adherence to our financial policies, the City’s bond ratings for General Obligation bonds continue to receive the highest rating issued by each rating agency: Moody’s (Aaa), Standard & Poor’s (AAA) and Fitch (AAA). In November 2012, Austin Energy improved its Standard & Poor’s credit rating from A+ to AA-, a reflection of a rate increase and the utility’s diverse portfolio, as well as the City’s robust economy.

**CITY OF AUSTIN PURCHASING OFFICE  
SECTION 0500: SCOPE OF WORK  
RFQS SMB0301: FINANCIAL ADVISOR SERVICES**

Official Statements for the last sixteen years may be viewed online by selecting the "Official Statements" button at [www.austintexas.gov/financeonline/finance/main.cfm](http://www.austintexas.gov/financeonline/finance/main.cfm).

The City is seeking a firm capable of evaluating and recommending methods which will minimize the City's cost of financial capital projects, strengthen the City's overall financial condition, and enhance the perception of the City's creditworthiness in the marketplace.

**C. CONTRACTOR REQUIREMENTS**

The responsibilities of the Contractor will include, but not be limited to the following:

**1. Bond Sales and Other Financing**

- 1.1 Provide recommendations on the marketing of bonds including methods for enhancing the rating, advice on bond covenants, pledge of revenue, flow of funds, legal coverage requirements, municipal bond market trends, and timing of issuances.
- 1.2 Provide advice and assistance on the requirements of various financing structures, the principal amount of bonds to be sold, maturity schedules, call and put features, premiums/discounts, basis of awards and types of sales.
- 1.3 Prepare a distribution list and timeline to include identification of tasks to be completed and those responsible, as well as critical events and deadlines, for each financing undertaken.
- 1.4 Prepare preliminary and final official statements and other offering documents as applicable to fully comply with all disclosure rules and requirements.
- 1.5 Coordinate bond ratings for any proposed issuance and participate in the preparation of information required for submission to the bond rating agencies.
- 1.6 Attend executive staff and City Council meetings and present information concerning issuance as requested.
- 1.7 Advise, inform and assist the City with the issuance's due diligence conference.
- 1.8 Provide guidance during pre-pricing and pricing negotiations with underwriters.
- 1.9 Arrange for delivery of bonds and coordinate with bond counsel and registrar; oversee bond closings with successful bidder/senior underwriter, paying agent registrar, trustee, bond counsel, disclosure counsel, verification agent, and City staff, including instructions for closing, and arrange for printing and mailing of final offering documents with printer.
- 1.10 Prepare and present a post-issuance report that includes a debt schedule for the issue that includes, at a minimum, principal and interest requirements, the true interest cost, and a written discussion of any circumstances relating to the market or the City's offering that may have impacted the sale results.
- 1.11 Assist the City as requested in complying with continuing disclosure of financial information and operating data pursuant to all Security and Exchange Commission rules.

**CITY OF AUSTIN PURCHASING OFFICE  
SECTION 0500: SCOPE OF WORK  
RFQS SMB0301: FINANCIAL ADVISOR SERVICES**

**2. Financial Planning and Other Tasks**

- 2.1 Assist in evaluating the performance of remarketing agents and credit facilities for commercial paper programs and variable rate demand notes, including borrowing rates, fees and other costs.
- 2.2 Evaluate and offer alternative financing techniques and instruments in addition to the traditional methods of financing utilized by the City.
- 2.3 Provide special financial advice to the City as needed. This may include assistance in the development of alternative financing programs for potential capital projects or assistance with upcoming bond elections, working with citizen committees, evaluating State and Federal legislation for the City, and other tasks as needed.
- 2.4 Provide financial planning services on a case-by-case basis including assisting with management studies of various enterprise funds, performing fee studies, evaluating consent agreement requests from Municipal Utility Districts, financial evaluation of developer agreements, and other like tasks.

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: RESPONSE PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFQS SMB0301: FINANCIAL ADVISOR SERVICES**  
**REVISED PER ADDENDUMS #2 and #3**

**1. QUALIFICATION STATEMENT RESPONSE FORMAT**

Prefacing the response, the Respondent may provide an Executive Summary of three (3) pages or less, which gives in brief, concise terms, a summation of the response.

The response itself shall be organized in the following format and informational sequence and shall not exceed ten (10) pages, excluding Executive Summary, Audit Report, and other required Forms:

**A. Part I - Business Organization**

- i. State the full name and address of your organization and identify parent company if you are a subsidiary. Specify the branch or other subordinate element with will perform, or assist in performing, work herein. Indicate whether you operate as a partnership, corporation, or individual. Include the State in which incorporated or licensed to operate.
- ii. Provide any recent or proposed changes in the firm's management or ownership.

**B. Part II – Authorized Negotiator:** Include name, address, and telephone number of person in your organization authorized to negotiate Contract terms and render binding decisions on Contract matters.

**C. Part III – Background and Prior Experience of Firm:** Provide the following information, in this order:

- i. A brief history of the firm, including the year the firm was founded, and how long the firm has been providing financial advisory services to issuers of tax-exempt debt.
- ii. The firm's experience and qualifications relative to the "Bond Sales and Other Financing" section in Section 0500 Scope of Work, C.1. In the discussion, include the firm's approach in assisting municipal clients in developing general obligation and revenue bond financing programs and identify techniques used to lower financing and/or issuance costs.
- iii. The firm's experience and qualifications relative to the "Financial Planning and Other Tasks" in Section 0500 Scope of Work, C.2. In this discussion, include details about the firm's quantitative capabilities.
- iv. A list of governmental clients the firm has served in the capacity of Financial Advisor during the past five years. Indicate which of these clients the firm currently serves as Financial Advisor. This list of governmental clients may be submitted as an appendix that will not count toward the ten (10) page response limit.
- v. The firm's ability to provide independent financial advisory services to issuers of municipal debt. Describe the firm's processes and procedures that ensure independence and protect the issuer's best interests; describe your firm's process for identifying, mitigating, and/or resolving conflicts of interest. You may include in an appendix, copies of processes and procedures substantiating these efforts.

**D. Part IV - Personnel:** Include names, titles, and qualifications of key professional personnel who will be assigned to this contract. State the primary work assigned to each person and the estimated percentage of time each person will devote to this work. Provide resumes for each.

**E. Part V – Financial Viability:** Provide the most recent audited annual Audit Report and most recent interim financial report as an attachment or appendix item. Hard copies must be included in the original submittal.

**F. Part VI – References:** Provide exactly three (3) government client references, at least two of which are covered by individuals listed in Part IV above. For each reference, provide a name, title, and

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: RESPONSE PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFQS SMB0301: FINANCIAL ADVISOR SERVICES**  
**REVISED PER ADDENDUMS #2 and #3**

organization, address and telephone number. In addition to the list provided, the City may independently solicit other references.

**G. Part VII - Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying:**

- i. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2-7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.
- ii. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
- iii. If a Respondent has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Respondent is given written notice and a hearing in advance of the debarment.
- iv. The City requires Offerors submitting Offers on this Solicitation to provide a signed Section 0810, Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying Affidavit certifying that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at:

<http://www.ci.austin.tx.us/edims/document.cfm?id=161145>

- I. **Part VIII - Response Acceptance Period:** All responses are valid for a period of one hundred and twenty (180) calendar days subsequent to the solicitation closing date unless a longer acceptance period is offered in the response.
- J. **Part IX - Proprietary Information:** All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Respondent does not desire proprietary information in the response to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

**2. EXCEPTIONS:**

Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the Response.

**3. RESPONSE PREPARATION COSTS:**

All costs directly or indirectly related to preparation of a response to the solicitation or any oral presentation required to supplement and/or clarify a response which may be required by the City shall be the sole responsibility of the Respondent.

**4. EVALUATION FACTORS AND AWARD**

- A. **Competitive Selection:** This procurement will comply with applicable City Policy. The successful Respondent will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph B

**CITY OF AUSTIN PURCHASING OFFICE**  
**SECTION 0600: RESPONSE PREPARATION INSTRUCTIONS AND EVALUATION FACTORS**  
**RFQS SMB0301: FINANCIAL ADVISOR SERVICES**  
**REVISED PER ADDENDUMS #2 and #3**

below shall be applied to all eligible, responsive Respondents in comparing responses and selecting the Best Respondent.

**B. Evaluation Factors:**

i. 100 points.

- |   |           |
|---|-----------|
| (1) <u>Demonstrated Applicable Experience:</u> Refer to Part III above. | 60 POINTS |
| (2) <u>Personnel Qualifications:</u> Refer to Part IV above.            | 20 POINTS |
| (3) <u>Financial viability/stability:</u> Refer to Part V above.        | 10 POINTS |
| (4) <u>References:</u> Refer to Part VI above.                          | 10 POINTS |

ii. Interviews, Optional. The City will score responses on the basis of item 1-6 above. The City may select a "short list" of Respondents based on those scores. "Short-listed" Respondents may be invited for interviews with the City. The City reserves the right to re-score "short-listed" responses as a result of the interviews and to make award recommendations on that basis.

Responding Company Name \_\_\_\_\_

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name \_\_\_\_\_  
Name and Title of Contact \_\_\_\_\_  
Project Name \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (\_\_\_\_)\_\_\_\_\_ Fax Number (\_\_\_\_)\_\_\_\_\_  
Email Address \_\_\_\_\_
  
2. Company's Name \_\_\_\_\_  
Name and Title of Contact \_\_\_\_\_  
Project Name \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (\_\_\_\_)\_\_\_\_\_ Fax Number (\_\_\_\_)\_\_\_\_\_  
Email Address \_\_\_\_\_
  
3. Company's Name \_\_\_\_\_  
Name and Title of Contact \_\_\_\_\_  
Project Name \_\_\_\_\_  
Present Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Telephone Number (\_\_\_\_)\_\_\_\_\_ Fax Number (\_\_\_\_)\_\_\_\_\_  
Email Address \_\_\_\_\_



**Section 0900: Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Form**

SOLICITATION NUMBER:

PROJECT NAME:

**The City of Austin has determined that no goals are appropriate for this project.** Even though goals were not assigned for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract, using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

**Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?**

**No** \_\_\_\_\_ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope

**Yes** \_\_\_\_\_ If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, sub-consultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though goals were not assigned, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Name and Title of Authorized Representative (Print or Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Utilization Plan**  
*(Please duplicate as needed)*

SOLICITATION NUMBER:

PROJECT NAME:

**PRIME CONTRACTOR / CONSULTANT COMPANY INFORMATION**

Name of Contractor/Consultant			
Address			
City, State Zip			
Phone Number		Fax Number	
Name of Contact Person			
Is Company City certified?	Yes <input type="checkbox"/> No <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture <input type="checkbox"/>		

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

\_\_\_\_\_  
**Name and Title of Authorized Representative (Print or Type)**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

Provide a list of all proposed subcontractors / sub-consultants / suppliers that will be used in the performance of this Contract.  
**Attach Good Faith Effort documentation if non MBE/WBE firms will be used.**

<b>Sub-Contractor / Sub-Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

<b>Sub-Contractor / Sub-Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

**FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:**

Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.

**Reviewing Counselor** \_\_\_\_\_ **Date** \_\_\_\_\_ **Director/Deputy Director** \_\_\_\_\_ **Date** \_\_\_\_\_



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

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**Solicitation: RFQS SMB0301**

**Addendum No: 1**

**Date of Addendum: 06/24/2016**

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This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Additional Information:**

- A. The attendee roster for the Pre-Response Conference is attached.
- B. Handouts provided by the Small and Minority Business Resources Department at the Pre-Response Conference are attached.

**II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY: \_\_\_\_\_

  
Sandy Brandt, Senior Buyer Specialist  
Purchasing Office, (512) 974-1783

6/24/2016  
Date

ACKNOWLEDGED BY:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

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**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

# CITY OF AUSTIN



## **“NO GOALS” UTILIZATION FORM MBE/WBE PROCUREMENT PROGRAM**

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**Project Name: Financial Advisor Services**

**Solicitation Number: RFQS 7400 SMB0301**

**Date: 06/22/2016**

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*MARCH 2009*

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS FORM**

**The City of Austin has determined that no goals are appropriate for this project.** Even though no goals have been established for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

**Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?**

No \_\_\_\_\_ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope.

Yes \_\_\_\_\_ If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, subconsultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though no goals have been established, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Name and Title of Authorized Representative (Print or Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS UTILIZATION PLAN**

*(Please duplicate as needed)*

SOLICITATION NUMBER: Financial Advisor Services

PROJECT NAME: **RFQS 7400 SMB0301**

**PRIME CONTRACTOR/CONSULTANT COMPANY INFORMATION**

Name of Contractor/Consultant			
Address			
City, State Zip			
Phone		Fax Number	
Name of Contact Person			
Is company City certified?	Yes <input type="checkbox"/> No <input type="checkbox"/>	MBE <input type="checkbox"/> WBE <input type="checkbox"/>	MBE/WBE Joint Venture <input type="checkbox"/>

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

\_\_\_\_\_  
**Name and Title of Authorized Representative (Print or Type)**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

Provide a list of all proposed subcontractors/subconsultants/suppliers that will be used in the performance of this Contract. **Attach Good Faith Efforts documentation if non MBE/WBE firms will be used.**

<b>Sub-Contractor/Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/>	Ethnic/Gender Code:	<input type="checkbox"/> NON-CERTIFIED
Vendor ID Code			
Contact Person	Phone Number:		
Amount of Subcontract	\$		
List commodity codes & description of services			

<b>Sub-Contractor/Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/>	Ethnic/Gender Code:	<input type="checkbox"/> NON-CERTIFIED
Vendor ID Code			
Contact Person	Phone Number:		
Amount of Subcontract	\$		
List commodity codes & description of services			

**FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:**

Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.

Reviewing Counselor \_\_\_\_\_ Date \_\_\_\_\_ Director/Deputy Director \_\_\_\_\_ Date \_\_\_\_\_

# Exhibit A

Vendor Code	M/WBE	G	Ethnicity	Vendor Name	Vendor DBA	Address	City	State	Postal Code	Location	Phone	Fax	Email
V00000917174	MDB	M	African American	JN3 Global Enterprises LLC	Excel Global Partners LLC	Suite #150	Austin	Tx	78730	AU	512-501-1155		jnowlin@excelglobalpartners.com
PRI3769850	MDB	M	African American	LAW OFFICE OF WAYMAN L PRINCE		9111 Katy Fwy Ste 301	Houston	Tx	77024	TX	713-467-1659	713-467-1686	WAYMAN@WLPLAW.COM
MON8308161	MDB	M	Hispanic	MONTEMAYOR BRITTON BENDER PC		Bldg 1 Ste 200	Austin	Tx	78746	AU	512-442-0380	512-442-0817	a@montemayorhill.com
VS0000034326	MWDB	F	African American	The Entermedia Group, LLC	TEG	900 Rr 620 South, C101-153	Austin	Tx	78734	AU	512-553-8341		lorraine.jordan@theentermediagroup.com





**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFQS SMB0301**

**Addendum No: 2**

**Date of Addendum: 07/01/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Paragraph 2 of Section 0400 (Supplemental Purchase Provisions) has been revised. Solicitation documents have been updated to reflect this change. The following sentence in Paragraph 2 is deleted:

*"Per the City of Austin's Council-approved Financial Policies (General Debt Management Policies #3), the City's financial advisor must be a firm that is independent of banking and/or underwriting."*

and replaced with:

*"The City may terminate the contract due to the Contractor's conflict of interest or perceived conflict of interest. The City has the sole discretion to determine a conflict of interest or perceived conflict of interest."*

- II. Paragraph 4 has been added to Section 0400 (Supplemental Purchase Provisions). Solicitation documents have been updated to reflect this change. Paragraph 4 states:

*"Contractor shall not participate on any City of Austin debt issuances as an underwriter, even if allowed by MSRB Rule G-23."*

- III. Paragraph C.v. has been added to Section 0600 (Response Preparation Instructions and Evaluation Factors). Solicitation documents have been updated to reflect this change. Paragraph C.v states:

*"The firm's ability to provide independent financial advisory services to issuers of municipal debt. Describe the firm's processes and procedures that ensure independence and protect the issuer's best interests; describe your firm's process for identifying, mitigating, and/or resolving conflicts of interest. You may include in an appendix, copies of processes and procedures substantiating these efforts."*

- IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: \_\_\_\_\_

Sandy Brandt, Senior Buyer Specialist  
Purchasing Office, 512-974-1783

7-1-16

Date

ACKNOWLEDGED BY: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

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**Solicitation: RFQS SMB0301**
**Addendum No: 3**
**Date of Addendum: 07/06/2016**


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This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Paragraph C.iv. of Section 0600 (Response Preparation Instructions and Evaluation Factors) has been revised. Solicitation documents have been updated to reflect this change. The following sentence in Paragraph C.iv. is deleted:

*"Indicate the approximate current outstanding debt of the entity."*

In addition the following sentence has been added to the end of Paragraph C.iv.:

*"This list of governmental clients may be submitted as an appendix that will not count toward the ten (10) page response limit."*

- II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: \_\_\_\_\_

Tracy Franklin, Corporate Contract Administrator  
Purchasing Office, 512-974-2034

7/6/16  
\_\_\_\_\_  
Date

ACKNOWLEDGED BY:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**



**CITY OF AUSTIN, TEXAS**  
**Purchasing Office**  
**REQUEST FOR QUALIFICATION STATEMENTS (RFQS)**  
**OFFER SHEET**

**SOLICITATION NO:** RFQS SMB0301

**DATE ISSUED:** June 20, 2016

**REQUISITION NO.:** RQM 7400 16052300474

**COMMODITY CODE:** 94648

**FOR CONTRACTUAL AND TECHNICAL  
ISSUES CONTACT THE FOLLOWING  
AUTHORIZED CONTACT PERSON:**

Sandy Brandt  
Senior Buyer Specialist  
**Phone: (512) 974-1783**  
**E-Mail: Sandy.Brandt@austintexas.gov**

Tracy Franklin  
Corporate Contract Administrator  
**Phone: (512) 974-2034**  
**E-Mail: Tracy.Franklin@austintexas.gov**

**COMMODITY/SERVICE DESCRIPTION:** Financial Advisor  
Services

**NON-MANDATORY PRE-RESPONSE CONFERENCE TIME AND  
DATE:** 2:00pm local time on June 22, 2016

**LOCATION:** Purchasing Office Conference Room (3<sup>rd</sup> Floor of  
Municipal Building)  
124 W. 8<sup>th</sup> Street, Austin, TX 78767

Or call in by dialing (512) 974-9300, participant code 464410

**RESPONSES DUE PRIOR TO:** July 12, 2016 at 2pm local time

**RESPONSE CLOSING TIME AND DATE:** July 12, 2016 at  
2:15pm local time

**LOCATION:** MUNICIPAL BUILDING, 124 W 8<sup>th</sup> STREET  
RM 308, AUSTIN, TEXAS 78701

**LIVE SOLICITATION CLOSING ONLINE:** For RFQS's, only the  
names of respondents will be read aloud

For information on how to attend the Solicitation Closing online,  
please select this link:

<http://www.austintexas.gov/departments/bid-opening-webinars>

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below:**

Address for US Mail (Only)	Address for Fedex, UPS, Hand Delivery or Courier Service
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # RFQS SMB0301	Purchasing Office-Response Enclosed for Solicitation # RFQS SMB0301
P.O. Box 1088	124 W 8 <sup>th</sup> Street, Rm 310
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

**NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving on time. See Section 0200 for additional solicitation instructions.**

**All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.**

**SUBMIT 1 ORIGINAL AND 1 ELECTRONIC COPY OF YOUR RESPONSE ON FLASH DRIVE**

**\*\*\*SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT\*\*\***

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4-6
0500	SCOPE OF WORK	7-9
0600	RESPONSE PREPARATION INSTRUCTIONS & EVALUATION FACTORS	10-12
0700	REFERENCE SHEET	13
0800	NON-DISCRIMINATION CERTIFICATION	*
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0900	MBE/WBE PROCUREMENT PROGRAM PACKAGE NO GOALS FORM – Complete & return	14-15

**\* Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the \* Sections are available on the Internet at the following online address:**

[http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm#STANDARDBIDDOCUMENTS](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS)

**If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8<sup>th</sup> Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.**

#### **INTERESTED PARTIES DISCLOSURE**

**In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 “Certificate of Interested Parties” that is signed and notarized for a contract award requiring council authorization. The “Certificate of Interested Parties” form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury prior to final contract execution.**

[https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

**The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.**

Company Name: PFM Financial Advisors LLC

Company Address: 221 West 6th Street, Suite 1900

City, State, Zip: Austin, Texas 78701

Federal Tax ID No. [REDACTED]

Printed Name of Officer or Authorized Representative: Dennis Waley

Title: Managing Director

Signature of Officer or Authorized Representative: 

Date: July 11, 2016

Email Address: waleyd@pfm.com

Phone Number: (512) 614-5323

**\* Qualifications Statement must be submitted with this Offer sheet to be considered for award**

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS FORM**

The City of Austin has determined that no goals are appropriate for this project. Even though no goals have been established for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

**Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?**

No ☒ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope.

Yes \_\_\_\_\_ If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, subconsultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though no goals have been established, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

PFM Financial Advisors LLC

Company Name

Dennis Waley

Name and Title of Authorized Representative (Print or Type)

Signature

July 11, 2016

Date



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

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**Solicitation: RFQS SMB0301**

**Addendum No: 1**

**Date of Addendum: 06/24/2016**

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This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Additional Information:**

- A. The attendee roster for the Pre-Response Conference is attached.
- B. Handouts provided by the Small and Minority Business Resources Department at the Pre-Response Conference are attached.

**II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY: \_\_\_\_\_

  
Sandy Brandt, Senior Buyer Specialist  
Purchasing Office, (512) 974-1783

6/24/2016  
Date

ACKNOWLEDGED BY:

\_\_\_\_\_  
Dennis Waley

Name

  
\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
July 11, 2016

Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**





**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFQS SMB0301**

**Addendum No: 2**

**Date of Addendum: 07/01/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Paragraph 2 of Section 0400 (Supplemental Purchase Provisions) has been revised. Solicitation documents have been updated to reflect this change. The following sentence in Paragraph 2 is deleted:

*"Per the City of Austin's Council-approved Financial Policies (General Debt Management Policies #3), the City's financial advisor must be a firm that is independent of banking and/or underwriting."*

and replaced with:

*"The City may terminate the contract due to the Contractor's conflict of interest or perceived conflict of interest. The City has the sole discretion to determine a conflict of interest or perceived conflict of interest."*

- II. Paragraph 4 has been added to Section 0400 (Supplemental Purchase Provisions). Solicitation documents have been updated to reflect this change. Paragraph 4 states:

*"Contractor shall not participate on any City of Austin debt issuances as an underwriter, even if allowed by MSRB Rule G-23."*

- III. Paragraph C.v. has been added to Section 0600 (Response Preparation Instructions and Evaluation Factors). Solicitation documents have been updated to reflect this change. Paragraph C.v states:

*"The firm's ability to provide independent financial advisory services to issuers of municipal debt. Describe the firm's processes and procedures that ensure independence and protect the issuer's best interests; describe your firm's process for identifying, mitigating, and/or resolving conflicts of interest. You may include in an appendix, copies of processes and procedures substantiating these efforts."*

- IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY:

  
Sandy Brandt, Senior Buyer Specialist  
Purchasing Office, 512-974-1783

7-1-16  
Date

ACKNOWLEDGED BY:

Dennis Waley  
Name

  
Authorized Signature

July 11, 2016  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

Revised 12/13/2015



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFQS SMB0301**

**Addendum No: 3**

**Date of Addendum: 07/06/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Paragraph C.iv. of Section 0600 (Response Preparation Instructions and Evaluation Factors) has been revised. Solicitation documents have been updated to reflect this change. The following sentence in Paragraph C.iv. is deleted:

*"Indicate the approximate current outstanding debt of the entity."*

In addition the following sentence has been added to the end of Paragraph C.iv.:

*"This list of governmental clients may be submitted as an appendix that will not count toward the ten (10) page response limit."*

- II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: \_\_\_\_\_

Tracy Franklin, Corporate Contract Administrator  
Purchasing Office, 512-974-2034

7/6/16

\_\_\_\_\_  
Date

ACKNOWLEDGED BY:

Dennis Waley

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

July 11, 2016

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**



# **City of Austin**

## **RFQS SMB0301**

### **Proposal for Financial Advisor Services**

**July 12, 2016**

**PFM Financial Advisors LLC**  
**Public Financial Management, Inc.**

221 West 6<sup>th</sup> Street  
Suite 1900  
Austin, TX 78701  
(512) 614-5323  
[www.pfm.com](http://www.pfm.com)



July 12, 2016

Ms. Sandy Brandt, Senior Buyer Specialist  
City of Austin  
Municipal Building, 124 W. 8<sup>th</sup> Street  
Room 308  
Austin, TX 78701

RE: City of Austin Request for Qualifications ("RFQ") RFQS SMB0301

## Executive Summary

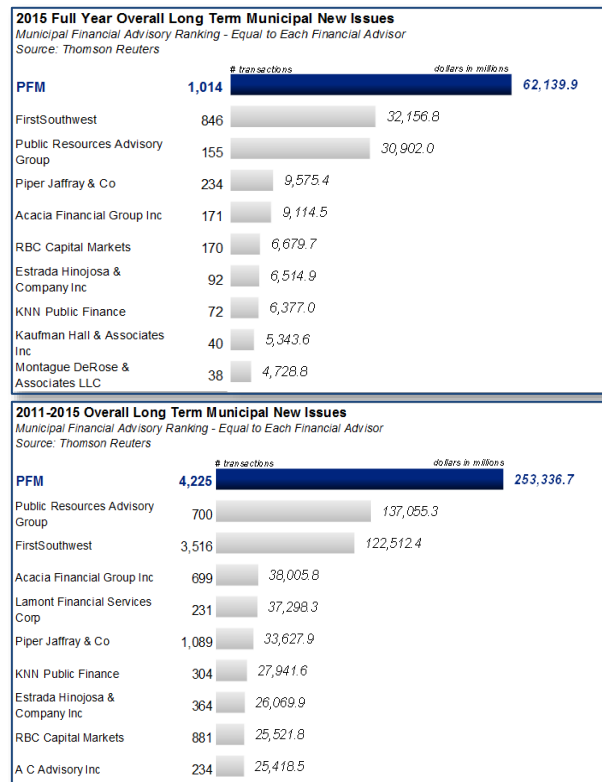
Dear Ms. Brandt:

PFM Financial Advisors LLC and Public Financial Management, Inc. (collectively referred to as "PFM") are very pleased to present this proposal to provide financial advisory services to the City of Austin ("Austin" or the "City"). As Austin's current financial advisor, we take enormous pride in what the City has achieved during the course of our financial advisory partnership, specifically a strong financial reputation in the municipal market, among its citizens, among investors, and among peers. We cannot overstate our desire to continue working with the City as your financial advisor and to maintain the working relationship that began years ago and continue to build upon Austin's status as one of the premier fiscally managed cities in the United States.

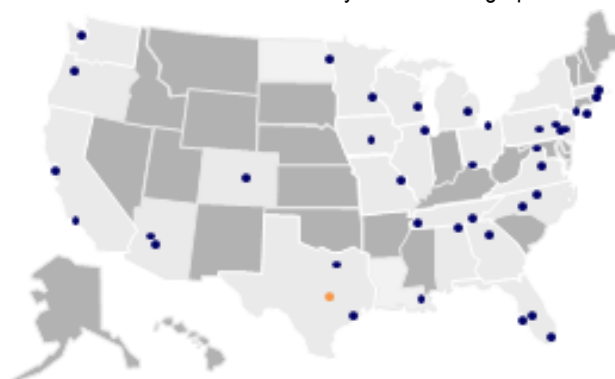
Austin is a priority client for PFM and we are committed to continuing to dedicate the full range of PFM's exceptional services and resources to the City. It has been a privilege for PFM to serve the City for over 20 years. Over the course of this relationship PFM has worked with the City on a wide range of engagements, including traditional debt financings and special projects, ranging from fee and permit studies to the convention center debt capacity analysis that is currently underway. PFM has worked diligently with City staff to ensure that the process of raising capital for infrastructure needs has been completed with the most favorable terms for the City (and therefore taxpayers or utility ratepayers), whether the outcome was a traditional publicly offered bond sale, a direct placement bank loan, or some other financing mechanism. The day-to-day work on financings along with the ability to access our "deep bench" of resources for ad hoc, non-transaction projects is a strength that is truly unique to PFM.

PFM was founded over 40 years ago with the goal of creating an **independent** financial advisory firm – one unaffiliated with investment banking and municipal bond underwriting – but with the technical resources matching those of the most sophisticated Wall Street investment banks. Therefore, PFM welcomes the fiduciary standards required under the new regulatory environment because a relationship based on earned trust has been a cornerstone of PFM from its establishment and from the outset of our financial advisory relationship with the City. As a result, PFM has grown to be the #1 ranked financial advisory firm in the U.S. according to Thomson Reuters in terms of overall number of transactions we have advised on as well as par amount. While rankings are not the end goal for PFM, the rankings attest to the expertise, market leadership, and skill with which we approach the financial challenges of our clients.

PFM's independence is a significant asset, as is our position as the most active financial advisor in the U.S., but this information is just the beginning of our unique qualifications. Austin has grown into a nationally and internationally recognized city; similarly, PFM's prominence and national reach allows us to provide a uniquely broad set of ideas and financing strategies that match the sophistication a city such as Austin needs and should demand from its financial advisor. PFM is able to pull from best practices and ideas not just from our numerous clients in Texas, but from all parts of the U.S. (including many large and highly-rated cities and counties). Additionally, the proposed team's history of working with the City and other similar entities as a partner is something that we believe makes PFM a natural fit to continue serving the City. Distinguishing features of our proposal are summarized in the following pages of our Executive Summary:



- Experience With Large, Highly-Rated Issuers In Texas And Nationally.** PFM is the largest provider of financial advisory services to public entities in the United States. As a firm, we have been the #1 ranked financial advisor in the nation for 18 consecutive years—having advised on the largest dollar volume of transactions in each of those years. As the graphs on the previous page show, in 2015 alone, we advised on 1,014 issuances with a total par amount of over \$62.1 billion (according to Thomson Reuters), **more than any other financial advisor or investment bank.** PFM, from our 36 offices across the U.S., represents as financial advisor the credits of some of the largest cities nationally, including New York (Power and Metropolitan Transit Authorities), Los Angeles (Airport), Chicago, Philadelphia, New Orleans, Miami, St. Louis, San Francisco, and Jacksonville, as well as the triple-A rated cities of Portland and Oklahoma City. In Texas, we also work with many large issuers including San Antonio Water System, San Antonio CPS Energy, Travis County, the Texas Department of Transportation, the Texas Comptroller, Leander ISD, and Hays CISD. **Since 2008, PFM has advised on transactions exceeding \$17.6 billion in par amount for Texas issuers.**<sup>1</sup> Our experience with large issuers both nationally and in Texas affords us a unique perspective on challenges and financial solutions that we can bring to the City that many of our competitors do not have the reach to provide.



- Local Austin Presence; Innovative Team Approach.** We believe advising the public sector carries with it a sacred trust, and our reputation established over 40+ years is built upon our recommendations and ideas. PFM goes beyond traditional transaction management to incorporate our professionals' expertise with long-term financial planning, sophisticated model development, credit rating enhancement strategies, and pricing analysis to advise on the City's unique and complex financial considerations, as well as reduce financing costs borne by taxpayers and ratepayers in ever-changing markets. Our primary office for the engagement would be PFM's Austin office, which is located on 6<sup>th</sup> Street, just a short walk from City Hall. PFM's team is led by Managing Director Dennis Waley, who has been the lead financial advisor to the City since 2009, and supported by a team of five senior advisors and three analysts located in PFM's Austin and Dallas offices who have broad expertise in financial advisory, bond pricing, credit/ratings strategy, and financial modeling. The City will also have access to senior advisory staff in PFM's specialty practices such as public power and airport groups; PFM's Pricing Group, which is dedicated to supplying real-time market intelligence, and will provide market commentary and analysis of coupon structures and call features to ensure that the City achieves maximum competitiveness for pricing on its bonds; PFM's Quantitative Strategies Group ("QSG"), which specializes in the development of highly sophisticated analytical and modeling tools to meet the most complex quantitative needs of our clients; PFM's affiliates able to provide additional services separately, as needed, include the Management and Budget Consulting Group, which specializes in workforce and labor-management services and fee studies; and PFM Asset Management, which specializes in investment management and structured products.
- Familiarity With The City.** PFM has extensive knowledge of the City's credit and financing needs, given our relationship, which dates back to 1992. During this time, PFM has worked with City staff to achieve and maintain its benchmark Aaa/AAA/AAA general obligation ("GO") bond ratings, one of only two large cities (population above 500,000) in the State of Texas to both attain and maintain this rating level. We believe this is an impressive achievement given the global economic turmoil that has affected all local governments over the last eight years, as well as an important practical accomplishment that will allow the City to borrow at low rates as it continues to invest in infrastructure needs while balancing citizen affordability challenges. In addition, PFM has worked closely with City finance staff to take advantage of historically low interest rates, completing refunding transactions that have generated more than **\$177 million of net present value debt service savings since our most recent contract commenced in 2008**, and even greater savings over the course of our entire advisory relationship.<sup>2</sup> Below are just a few of the many examples of PFM's successful partnership with the City since 2008:

  - Achieving rating upgrades across multiple liens, including an upgrade of the City's GO rating to the superior Aaa/AAA rating level by Moody's Investor Services ("Moody's") and Fitch Ratings ("Fitch"), respectively, and maintaining the AAA rating from Standard & Poor's ("S&P");
  - Attracting new investors to Austin Energy ("AE") and Austin Bergstrom International Airport ("ABIA") bonds via the design and implementation of an investor roadshow, which widened the investor universe and reduced the City's borrowing costs;

<sup>1</sup>Source: Municipal Advisory Council of Texas

<sup>2</sup>Source: PFM final verified numbers for refunding transactions.





- Optimizing Austin Water Utility's ("AWU") water and wastewater revenue debt structure through a smoothing of debt service requirements via modeling of future debt service in 2015 and 2016 and a cash defeasance in 2016, which helped to stabilize AWU's ratings from Fitch and Moody's after a prolonged period of drought and abnormally low liquidity and debt service coverage ("DSC");
- Restructuring AE's debt service to provide DSC relief and facilitate rating stability;
- Improving the City's competitive bond sale bidding parameters to allow for more flexible coupon structures that ultimately attracted a greater number of investors and lowered overall borrowing costs;
- Creating new liens on the City's hotel occupancy tax ("HOT") bonds to allow a refunding for present value savings that otherwise would not have been possible under the then existing senior lien ordinance; and
- Collaborating with bond counsel and the City to successfully eliminate the necessity of a debt service reserve fund on AWU bond sales, resulting in debt service savings for the utility and ratepayers.

- **Industry-Leading Specialty Practice Areas.** In addition to the core staff available to serve the City, PFM also maintains industry-leading specialty practice areas in the airport and public power sectors, which have and will continue to benefit ABIA and AE, respectively, as each enterprise implements its capital improvement plan ("CIP"). Many of our financial advisory competitors staff engagements only from local offices with personnel who have modest experience in the unique enterprise sector needs of their specific clients. PFM brings together both sector and regional experts to serve the City.

PFM began as a financial advisory firm independent of banking and underwriting, with a fiduciary responsibility to clients. We never operate in an underwriting capacity. Unlike investment banking firms that serve as both financial advisor and underwriter, PFM does not have the conflict of interest that may exist among bankers when they also act as financial advisors. Throughout its history, the firm's focus has been to public sector clients. Additionally, your PFM engagement team contacts have each successfully completed the Municipal Securities Rulemaking Board (MSRB) Series 50 Exam (Municipal Advisor Representative) and are registered Municipal Advisors. Furthermore, PFM maintains an independent compliance program with personnel focused on the objective of meeting the requirements as set forth under the Dodd-Frank Act to serve as the City's Municipal Advisor.

In terms of resources, we have the depth of staff required to support the City's large and complex bond program, and the experience in providing services to some of the largest public entities in the U.S. We have unparalleled access to market data, securities information, and rating analyses through our subscription services. We have a dedicated Pricing Group which provides a sophisticated perspective on bond pricing and structuring and a Quantitative Strategies Group that provides high level quantitative support and develops customized solutions to match unique and nuanced needs.

Because the City is among the fastest growing major cities in the nation, we understand that your challenges are complex, vast and ever-changing. However, they are not inherently unique. Since we represent many large cities across the United States, we have and will continue to bring the innovative strategies, best practices and lessons-learned—which we derive not only from our Texas expertise, but from our firm's work with the City's coast-to-coast peers—that we bring to inform our work with the City.

PFM considers itself an extension of the City's staff, and we are on call, at all times, to service the City's needs. We hope that we have proven our willingness and ability to respond quickly to requests for both transaction-related and ad hoc projects. PFM will continue to make the City the number one priority in providing timely responses to any and all requested financial analyses. PFM has and will continue to invest in City staff and their professional development through our semi-annual, week-long client training seminars. Moreover, we consider it a privilege to have worked with the City's forward-thinking and creative yet fiscally prudent financing team. The PFM team assisted the City with adeptly and successfully navigating the turbulent economic waters over the past decade. We believe PFM's direct experience with the City – as well as our work with similarly large and sophisticated national and Texas clients, our depth of knowledge, and our commitment to acting exclusively as a fiduciary for our clients – makes PFM the ideal and natural choice to continue as the City's strategic partner and financial advisor.

Sincerely,

**PFM Financial Advisors LLC**  
**Public Financial Management, Inc.**



Dennis P. Waley  
Managing Director

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Executive Summary

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I. Qualification Statement Response

II. Financial Viability

III. References

IV. Required Forms

Appendices

A. List of Governmental Clients

B. Resumes

# **I. Qualification Statement Response**





## PART I – BUSINESS ORGANIZATION

- i. State the full name and address of your organization and identify parent company if you are a subsidiary. Specify the branch of other subordinate element which will perform, or assist in performing, work herein. Indicate whether you operate as a partnership, corporation, or individual. Include the State in which incorporated or licensed to operate.

**PFM Financial Advisors LLC**  
Public Financial Management, Inc.

**Parent Company:** PFM I, LLC

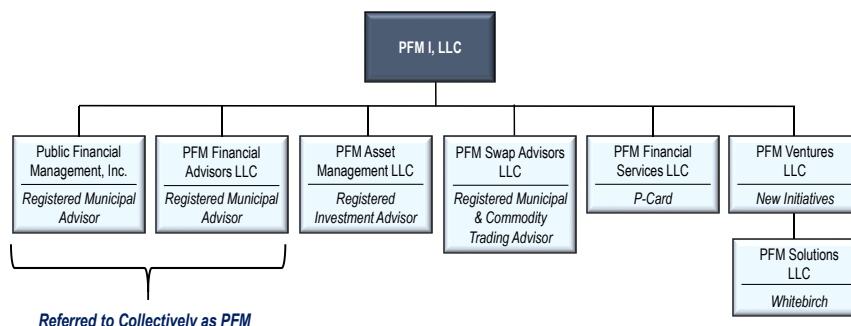
**Austin Office:** 221 West 6<sup>th</sup> Street  
Suite 1900  
Austin, TX 78701  
Phone: (512) 614-5323  
Fax: (512) 472-0932

**National Headquarters:** 1735 Market Street  
43<sup>rd</sup> Floor  
Philadelphia, PA 19103  
Phone: (215) 567-6100  
Fax: (215) 567-4180

**Business Structure:** Limited Liability Company

**State of Incorporation:** Pennsylvania

**Head of Texas Practice:** Dennis P. Waley  
Managing Director  
Austin Office



The PFM Group	
PFM Financial Advisors LLC Public Financial Management Inc.	PFM Asset Management LLC
<ul style="list-style-type: none"> <li>Financial Advisory</li> <li>Debt Management and Bond Pricing Optimization</li> <li>Capital Structure Consulting</li> <li>Risk Management Advisory</li> <li>Rating Agency/Credit Enhancement Advisory</li> <li>Organizational Turnarounds</li> <li>Labor and Workforce Consulting</li> <li>Retirement and Post-Employment Consulting</li> <li>Health and Human Services Consulting</li> <li>Public-Private Partnerships (P3s)</li> </ul>	<ul style="list-style-type: none"> <li>Fixed Income Portfolio Management</li> <li>Multi-Asset Class Management</li> <li>Treasury Management Consulting</li> <li>Structured Investments</li> </ul>
	PFM Swap Advisors LLC
	<ul style="list-style-type: none"> <li>Swap Advisory</li> <li>SwapViewer®</li> </ul>
	PFM Financial Services LLC
	<ul style="list-style-type: none"> <li>Payment Solutions ("P-Card")</li> </ul>
	PFM Solutions LLC
	<ul style="list-style-type: none"> <li>White Birch software</li> </ul>

**PFM Financial Advisors LLC will be the entity responsible for performing the work as defined in the RFQ.** Additional services are available for provision by affiliates under separate agreements. **Over the past two years, The PFM Group has created new affiliated operating companies under PFM I, LLC in response to regulatory changes.** The affiliates of The PFM Group include registered municipal advisory services historically offered through Public Financial Management, Inc. now accessible with PFM Financial Advisors LLC. Other registered entities include registered investment advisor PFM Asset Management LLC and registered municipal advisor and commodities trading advisor PFM Swap Advisors LLC. The PFM Group also offers management and budget consulting services through PFM and White Birch long-term financial planning software through PFM Solutions LLC.

- ii. Provide any recent or proposed changes in the firm's management or ownership.

In June 2014, PFM made a very favorable change to the organization. The PFM Group's Managing Directors completed a management buyout of the equity interests in PFM I, LLC, the parent holding company, from a group of outside investors. **The firm is now 100% owned and operated by the Managing Directors,** who set the firm's strategic direction. The freedom provided through this return to 100% ownership by Managing Directors will further enable us to remain intensely focused on adding value for each client, investing in our human capital, as well as acquiring additional industry-leading technology and investing in our future.

As mentioned previously, The PFM Group has created new affiliated operating companies under PFM I, LLC in response to regulatory changes. The PFM Group's primary operating companies are indirect wholly-owned subsidiaries of a holding company known as PFM I, LLC. For our current list of affiliates, please see our full scope of services in the chart above.

## PART II – AUTHORIZED NEGOTIATOR

Include name, address, and telephone number of person in your organization authorized to negotiate Contract terms and render binding decisions on Contract matters.

Dennis P. Waley, Managing Director, is authorized to negotiate contract terms and render binding decisions on contract matters on behalf of PFM, and should be the recipient for any correspondence regarding this RFQ. His contact information is as follows: Dennis Waley (waleydp@pfm.com); 221 West 6<sup>th</sup> Street, Suite 1900, Austin, TX 78701; 512-614-5323 (office phone) and 512-750-2428 (cell phone); 512-472-0932 (fax).

## PART III – BACKGROUND & PRIOR EXPERIENCE OF FIRM

- i. A brief history of the firm, including the year the firm was founded, and how long the firm has been providing financial advisory services to issuers of tax-exempt debt.

PFM has been in business for forty-one (41) years, founded in 1975 on the principle of providing sound and independent financial advice as a fiduciary to public entities. We have maintained a continuous Texas financial advisory presence since 1992. Since its inception, the firm has provided financial advisory services to numerous clients that issue tax-exempt debt. Today, PFM is the nation's leading financial advisor to states, local municipalities, higher-education and healthcare institutions, and nonprofit corporations by number of, and dollar volume of, transactions.<sup>3</sup> The PFM Group currently has more than 560 employees, 493 of which are finance professionals, in 36 offices throughout the United States (as of March 31, 2016). Day-to-day operations for this engagement will be provided by PFM's Austin and Dallas offices, with additional support from sector-specific experts, as necessary.

PFM's goal is to provide the highest quality advice to clients so that they are able to raise, invest, and manage resources in the most cost-effective manner possible. As an independent financial advisor, PFM brings a totally unbiased approach to our client relationships. PFM employs sophisticated resources to generate its own innovative ideas. PFM never has the conflict of interest inherent among bankers who may also act as financial advisors. Throughout its history, the firm's focus has been on public sector clients.

- ii. The firm's experience and qualifications relative to the "Bond Sales and Other Financing" section in Section 0500 Scope of Work, C.1. In the discussion, include the firm's approach in assisting municipal clients in developing general obligation and revenue bond financing programs and identify techniques used to lower financing and/or issuance costs.

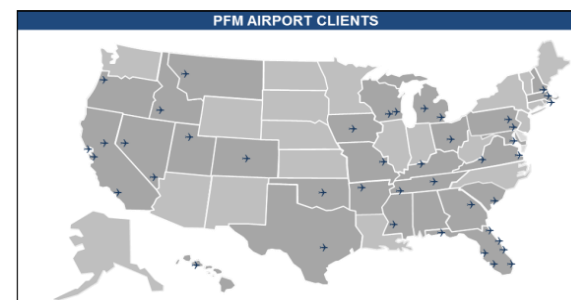
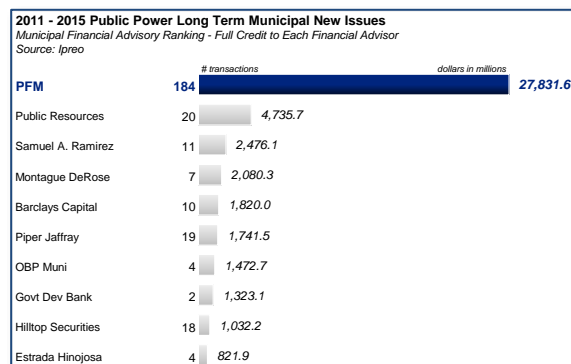
### PFM'S APPROACH TO COLLABORATION WITH THE CITY OF AUSTIN PROVIDES LOCAL & SECTOR-SPECIFIC EXPERTISE

We are proud of the opportunity to work with the City for many years and would like to think our collaboration with the City has been a success. PFM has a long history and proven track record of developing financing programs for the City's GO credit, AWU, AE, the Austin convention center, ABIA, Mueller development, among others. Advising the City and other municipal clients on the development of GO and revenue bond financing programs is the core of PFM's business. As the City is aware, our firm's approach to developing plans of finance for the City is a collaborative one that allows us to tap our considerable nationwide advisory expertise, and supplement it with a level of analytical and quantitative rigor we believe is unmatched in the industry. PFM serves as financial advisor on many of the largest transactions brought to market each year, which often involve intricate financial plans, the sale of sophisticated securities, high-end quantitative modeling, and complicated tax analysis.

PFM will continue to convene an experienced, Texas-based team augmented by our national sector-specific experts, who will provide specific and directly applicable knowledge to the engagement to (1) review and provide recommendations regarding the City's strategic plans; (2) assist in developing the City's credit strategy across all of its credits; (3) analyze and evaluate capital projects and financings; (4) manage the bond sales of the City; (5) supervise ongoing debt management programs; and (6) act as financial advisor on a broad array of topics. In addition to the core Texas team, which possess significant experience in developing and implementing GO and revenue bond financing programs, the City would continue to have access to the following specialty practice areas:

**Public Power.** PFM has unmatched experience with municipal electric utilities and has worked on a broad range of public power financings. This is absolutely critical to AE, which expects and requires expertise in all matters of the power business. We are the nation's leading financial advisor to public power utilities, and have served as financial advisor on more public power deals in terms of both par amount and number of transactions than any other firm. From 2011 to 2015, PFM advised on 184 public power transactions totaling \$27.8 billion in par amount, according to Thomson Reuters. PFM offers the accumulated experience of the municipal markets and the accumulated experience of the public power space when advising AE, which our team has acquired by representing more such clients than almost all of our competitors combined, as the chart to the right shows. In addition to AE, we serve as financial advisor to numerous public power entities, large and small, such as San Antonio's CPS Energy, the New York Power Authority, Energy Northwest, Southern California Public Power Authority, Platte River Power Authority, MEAG Power, Bonneville Power Administration, the Long Island Power Authority, Orlando Utilities Commission, Colorado Springs Utilities, and Turlock Irrigation District, among many others.

**Airports.** PFM has one of the largest airport financial advisory practices in the country, comprised of eight dedicated airport finance professionals who currently advise 45 airport clients, including ABIA; to our knowledge, this is more than any other



<sup>3</sup>Source: Thomson Reuters

firm in the country. As shown in the map on the previous page, we advise airports of all sizes in all parts of country, and our clients include both major connecting hubs and various “O&D” airports.<sup>4</sup> We gain insights from working with each of these clients that help us serve our various other clients better. In 2015, we advised these clients on 34 financings totaling approximately \$2.6 billion. According to Thomson Reuters, over the last five years (since January 1, 2011), we have advised our clients on 94 financings totaling in excess of \$13 billion.

### TRANSACTION RELATED SERVICES

**We want to begin by first stating that we fully understand the Contractor Requirements related to Bond Sales and Other Financing (items 1.1 through 1.11). Since the commencement of our work with the City of Austin, PFM has regularly provided the full scope of the services outlined in this section of the RFQ, and is prepared to continue providing these services throughout the term of the contract.**

**1.1 Provide recommendations on the marketing of bonds including methods for enhancing the rating, advice on bond covenants, pledge of revenue, flow of funds, legal coverage requirements, municipal bond market trends, and timing of issuances.** PFM has a long and established track record of working with the City to effect transactions that achieve the most favorable outcomes for the City. PFM's services to the City have included the preparation of extensive financial models and advising on the optimal available debt service and coupon structures for new money and refunding transactions. While there are many examples, below are a few representative examples of ways that PFM has reviewed/advised on legal requirements of debt offerings that have resulted in lowering the City's overall financing costs.

PFM's Examination of Legal Requirements/Covenants to Produce Lower Borrowing Costs for the City of Austin	
Issuing AWU Revenue Bonds Without a Debt Service Reserve Fund	<ul style="list-style-type: none"> <li>In 2013, PFM worked with the City's bond counsel and City staff to explore the ability of AWU to issue working lien bonds without the use of a debt service reserve fund (“DSRF”).</li> <li>Ultimately, our analysis of the legal requirements, investor acceptance—with no discernible pricing penalty—and rating agency acceptance of AWU's revenue bonds with no reserve fund in place has allowed AWU to continue issuing revenue bonds without a DSRF, providing ongoing savings to the City and ratepayers.</li> </ul>
New Lien Established to Refund HOT Bonds	<ul style="list-style-type: none"> <li>In 2013, PFM worked with the City and bond counsel to create a new lien for the City's hotel occupancy tax (“HOT”) bonds, which allowed a refunding of series 2004 bonds that otherwise could not have occurred because of existing ordinance requirements on the senior lien requiring a cash funded reserve or AAA surety policy.</li> <li>By closing the existing senior lien on the HOT and issuing as a junior lien, the City was able to allow for a surety requirement in a lower rating category and ultimately refund existing 2004 bonds, producing present value (“PV”) savings of \$3.0MM (10.4%).</li> </ul>
ABIA Special Facility Financing	<ul style="list-style-type: none"> <li>PFM advised the City on a special facility financing for a consolidated rental car facility located at ABIA. The deal was a public-private partnership (“P3”) with a developer representing the rental car companies. We developed a cash flow model that assisted the City in developing a plan of finance for the project and helped in negotiating the key terms of the agreements with the developer. As part of this plan of finance, we recommended an innovative financing and debt service structure that meshed well with the projected cash flow to be generated by the project and was well-received by the rating agencies and capital markets.</li> <li>On behalf of the City, we also successfully negotiated with the lead bond underwriter to include an option for the City to be able to redeem these taxable bonds at par after ten years. This option was a bit unusual at the time as most taxable financings were either non-callable or had “make-whole” redemption provisions that did not allow issuers to achieve economic savings from future refinancings. The \$144 million transaction successfully closed in early 2013.</li> </ul>

The maintenance of strong credit ratings is critical to enhancing the marketability of the City's debt offerings and lowering the City's borrowing costs. While the City has always had sound ratings, many of the credits have seen improvements in their ratings over the time period PFM has acted as financial advisor. The chart below shows select rating upgrades (green highlighted) since our current contract with the City commenced in 2008. The GO rating has risen to Aaa/AAA/AAA. AE has improved to A1/AA-/AA-, and we believe there is further potential upside for AE's rating from

Rating Upgrades Since 2008 with PFM as Financial Advisor		
Security	2008	2016
General Obligation	Aa1 / AAA / AA+	Aaa / AAA / AAA
Water & Wastewater System	Aa3 / A+ / AA-	Aa2 / AA / AA-
Electric Utility System	A1 / A+ / AA-	A1 / AA- / AA-
Airport System	NR / A- / NR	A1 / A / NR
Hotel Occupancy Tax	A2 / A- / NR	Aa3 / AA- / NR

Moody's based on improving credit metrics. AWU suffered through a long period of drought which caused significant pressure on financial metrics. At the same time, AWU was in the process of constructing a new water treatment plant which increased capital spending for many years. The City skillfully navigated through a difficult period in AWU's operating history. Although two rating agencies decided to change the outlook for AWU in 2015 to negative, none of the rating agencies lowered the rating on the utility. In addition, the outlook from Moody's and Fitch was returned to stable this year. We are proud to have been a part of the team that worked on these credit presentations.

In addition to strong credit ratings, PFM believes a marketing strategy, especially one for a large sophisticated client such as the City, is always an evolving process. We believe our role in the process is to: 1) provide new ideas based upon our extensive experience in the markets; 2) provide a knowledgeable sounding board for the City's new ideas or the ideas brought by other financial professionals/underwriters; 3) serve as a catalyst in the process to encourage the City to remain open to new ideas; 4) manage the logistics of implementing ideas the City chooses to adopt; and 5) evaluate the impact, either positive or negative, of each change in the marketing process.

The City's size and complexity warrants a stable group of investment bankers to promote its debt, as well as to foster and deliver creative new ideas for program enhancement. We believe that a combination of competitive sales and negotiated sales, the rotation of the senior manager among a designated team of senior managers, the use of incentive-based bond allocation rules, relative pricing analysis incorporating the use of real-time

<sup>4</sup> Representative client listing as of March 22, 2016.

secondary market trade data, and retail order periods—combined with the City’s high ratings on many of its various securities/liens—has proven and will continue to be tools which promote successful outcomes for the City. Other considerations include with respect to the marketing of the city’s bonds include:

- **Timing of Sale.** As a starting point, PFM works with the City to consider the timing of the sale in terms of specific days relative to various factors, including holidays, other scheduled large issues both within Texas and nationally, and release of key economic indicators, particularly where market sensitivity exists (e.g., Federal Open Market Committee meetings).
- **Debt Structuring.** Market permeation of the City’s bonds can be maximized in a negotiated transaction through flexible structuring of the bonds to meet current market demand for premium, discount, or par bonds. PFM has worked with the City and its underwriting team to promote structures which attract both retail and institutional investors, when appropriate, through structuring techniques such as bifurcated coupons, as necessary. We offer additional detail about our debt structuring capabilities in our responses in sections 1.2 and 2.2, below.
- **Close Communication and Coordination with Co-Senior and Co-Managing Underwriters.** The involvement of co-senior and co-managing underwriters is predicated on the assumption that their involvement in the sale will enhance market penetration via a higher level of presale marketing to a broader base of institutional investors, both national and regional, as well as a more proactive cultivation of all segments of the regional and national retail investor base. An important element in PFM’s negotiated sales services is regular communication with underwriting team members.
- **Use of Institutional Investor Conference Calls and Informational Meetings.** PFM has found that, at times, it has been beneficial for the City to conduct presale institutional investor conference calls or even an Internet road show to generate interest in the upcoming sale, as well as to provide an opportunity for investors to pose any questions regarding the transaction or the issuer’s credit. PFM worked with the City to develop investor roadshows for both AE and ABIA, which were each successful in widening the investor universe and ultimately reducing the City’s borrowing costs.

AE Investor Roadshow	<ul style="list-style-type: none"> <li>▪ In December 2012, AE, working with PFM, utilized an investor roadshow, and one-on-one investor meetings in Boston and New York. These efforts yielded several new investors to the credit who placed sizeable orders. Despite pricing in a volatile market, AE received over \$1 billion in orders for the bonds and was able to reduce yields in several maturities. PFM’s Pricing Group assisted in creating a pricing strategy for the bonds with the underwriter.</li> </ul>
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**1.2 Provide advice and assistance on the requirements of various financing structures, the principal amount of bonds to be sold, maturity schedules, call and put features, premiums/discounts, basis of awards and types of sales.** When it comes to the structuring and pricing of bonds, PFM offers the City a unique blend of Wall Street knowledge, technical resources, and an independent, unbiased perspective. The determination of what constitutes an efficient issue structure is best framed by the following three objectives: (i) Is the proposed amortization schedule well-coordinated with the City’s existing debt obligations and revenues? (ii) Are the resources pledged to debt redemption sufficient to meet total debt service requirements when existing and proposed debt is combined? (iii) Is the proposed maturity schedule designed seeking to attract maximum interest from potential investors in the current market? Working with other members of the financing team and the City’s staff, PFM facilitates the formulation of the issue structure and the terms under which the bonds are to be offered in order to answer the aforementioned questions in the best possible manner, given the current market.

PFM has provided extensive advice related to the development of optimal financing structures. Below are two examples we would like to highlight that are representative of PFM’s prior work with the City to develop favorable financing structures.

Examples of PFM’s Advisory Work on Evaluating & Developing Financing Structures for the City of Austin	
AE Refundings to Optimize Debt Service	<ul style="list-style-type: none"> <li>▪ In 2012, PFM worked with AE to effect two refundings (Series 2012A and Series 2012B) that, together, enhanced AE’s debt service coverage and generated significant savings. The 2012A transaction produced PV savings of \$24.2 million (18.9%) and the 2012B refunding was structured—through extensive modeling by PFM—to remove peaks in debt service in order to enhance pro forma coverage and promote ratings stability, and reduced total debt service requirements by more than \$7 million annually in fiscal years 2013, 2014, and 2015.</li> </ul>
AWU Debt & Defeasance Modeling	<ul style="list-style-type: none"> <li>▪ In 2015 and 2016, PFM worked with AWU to design and effect refunding structures that eliminated peaks and smoothed debt service through 2020. This had the effect of immediately improving coverage and proforma liquidity, which was critical because of two “negative outlooks” from two rating agencies at the time of the sale. The 2015 refunding generated PV savings of \$25.5 million.</li> <li>▪ Continuing our work with AWU in 2016, PFM was engaged to determine the optimal way in which AWU should structure future debt service and deploy cash defeasances over a 5-year period in order to strategically shape AWU’s proforma debt service structure. PFM’s collaboration with AWU staff resulted in (1) a refunding that generated \$16.8 million (15.1%) of PV savings, (2) a fix-out of \$187.5 million in commercial paper without incurring any spikes in debt service, and (3) a defeasance using \$18.2 million of capital recovery fees that eliminated \$21.4 million in future debt service requirements. More importantly, AWU has a plan for maintaining generally level debt service as it issues debt and continues with its cash defeasance program through 2022.</li> </ul>

When it comes to evaluating the market feasibility and pricing implications of various financing options—call and put features, premiums/discounts—one of PFM’s greatest strengths and advantages 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. The group is located in our Charlotte, North Carolina office. We are in the market on behalf of our clients an average of three times a day, and this constant presence gives us a significant advantage over other firms when it comes to bond pricing. As the chart on the following page indicates, PFM is the most active financial advisor in the U.S., and participates more frequently in the market than even the largest investment banking firms. **Our size and market presence give PFM 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 lowest possible interest cost on transactions.



PFM's dedicated team of pricing professionals provides clients throughout the country 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. Furthermore, the Pricing Group's constant presence in the municipal bond pricing process helps foster professional peer-to-peer relationships with underwriting desks.

PFM couples this market knowledge with our own proprietary analytical pricing tools (e.g., Option Adjusted Spread analysis) 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, PFM's 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 that the City has an independent evaluation of the pricing. For each financing, PFM works with the City to establish the pricing parameters, the debt structure, and target interest rates. For additional detail about our quantitative capabilities with respect to the structuring of financing options/alternatives, please see our response in section 2.2 discussing PFM's Quantitative Strategies Group.

PFM assists its clients in the decision of whether to sell bonds on a competitive or negotiated basis and participates in all key aspects of the City's bond sale process. PFM concurs with the Government Finance Officers Association ("GFOA") stated best practices, namely that state and local government bond issuers should sell their debt using the method of sale that is most likely to achieve the lowest cost of borrowing while taking into account both short-range and long-range implications for taxpayers and ratepayers. This decision depends on a multitude of factors including market conditions, issuer rating, issue structure, and timing.

**Competitive Bond Sales.** PFM plays a strong role in competitive sales. Our duties with the City include ensuring the bid standards are acceptable under current market conditions, assisting in selecting an advantageous time for the sale, being present to receive and verify bids, and communicating bids and final numbers to the City. The structure of the issue plays an important role in the marketability of the issue. In a competitive sale, there is no opportunity to test the market for a particular bond structuring or credit feature. Therefore, broad experience with marketing debt of all types and features, as well as frequent and recent participation in the current market, is desirable. PFM serves a large number of issuers across the nation and is in the market virtually every business day of the year. Consequently, we are constantly up-to-date on national market trends and overall credit market conditions.

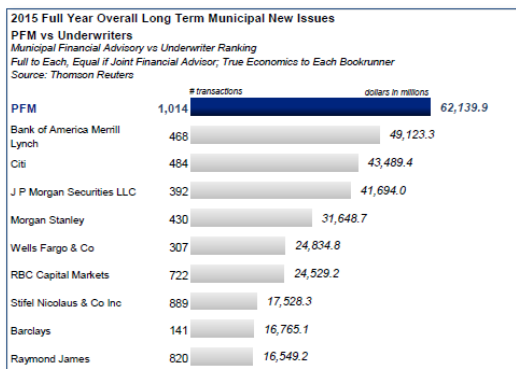
As an example of PFM's active role in assisting with competitive sales, in 2012, PFM revised the Notice of Sale for the City's competitively sold bonds following a change in the Attorney General's view on the allocation of voter approved propositions. This revision allowed the City to adjust the principal allocation on each maturity to allow for premium bids. Investors prefer 4% and 5% coupons which generate premium. Prior to the change, bidding documents did not provide for large premiums, so bonds were sold at par. This update provided for a larger universe of buyers which increased the number of quality bids thus lowering borrowing costs to the City.

**Negotiated Bond Sales.** PFM plays an exceptionally strong supervisory role in negotiated sales. We have assisted the City in the development and evaluation of an underwriting RFP and have provided advice on the selection of the main sales syndicate and on the establishment of underwriter takedowns. PFM will work with the City throughout the pricing, assisting in evaluating the efforts of the underwriting team. We utilize IPREO's online monitor platform to monitor orders by maturity in real-time on the day of the sale, allowing the City's financing team to track sale progress throughout the order period. Additionally, our Pricing Group's independent pricing views and constant contact with underwriting firms give us a wealth of information to be able to override the underwriter and to insist on lower interest rates and/or spreads.

**1.3 Prepare a distribution list and timeline to include identification of tasks to be completed and those responsible, as well as critical events and deadlines, for each financing undertaken.** PFM has and will continue to prepare timetables and distribution lists for all transactions and major projects. Timetables include key dates—such as Council action dates, rating meetings, diligence calls, offering document distributions, sale dates, and closing dates—and the associated responsible parties.

**1.4 Prepare preliminary and final official statements and other offering documents as applicable to fully comply with all disclosure rules and requirements.** PFM takes a lead role in coordinating the preparation of the preliminary official statement and final official statement, working in collaboration with City staff, bond counsel, and other parties to ensure the accuracy and timely completion of offering documents. PFM has a long history of working successfully with multiple departments across the City in the compilation of required information for inclusion in offering documents.

**1.5 Coordinate bond ratings for any proposed issuance and participate in the preparation of information required for submission to the bond rating agencies.** One of the main tasks of the financial advisor is to work with staff to obtain, maintain, or improve the City's credit ratings. 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 has developed a clear understanding of the analytic approaches of the rating agencies, which is further informed by our deep knowledge of the City. PFM, in cooperation with the City, develops a rating strategy and plays a central role in implementing the strategy. PFM assists in the preparation of rating presentations, reviews the rating presentation with City staff, and is an active participant in the City's rating meetings. PFM also actively



communicates with the rating analysts, reviews the final rating reports when they are in draft form, and ensures that such reports are distributed to potential underwriters and investors.

Because of the multiple types of securities the City issues each year (GO, AWU revenue bonds, AE revenue bonds, Airport revenue bonds, HOT bonds, etc.), each rating presentation and strategy must be customized to each of the credits' unique rating criteria. PFM is an active market participant when it comes to providing commentary on proposed changes to rating criteria. Additionally, as Moody's and Standard & Poor's both shift to a more quantitative ratings approach, PFM has built ratings calculators that allow clients to perform "what if" analyses on potential future credit ratings (the graphic to the right shows PFM's replication of the City's GO scorecard from Moody's). Additionally, below are some high level credit considerations for the major securities Austin issues each year.

Metric	% of Total Score	Scorecard Results
<b>Economy/Tax Base</b>		
Tax Base Size: Full Value	10%	Above rating level
Tax Base Per Capita	10%	At rating level
Median Family Income as % of US Median	10%	At rating level
<b>Finances</b>		
Fund Balance as % of Revenues	10%	At rating level
5-Year Dollar Change in Fund Balance as % of Revenues	5%	Below rating level
Cash Balance as % of Revenues	10%	At rating level
5-Year Dollar Change in Cash Balance as % of Revenues	5%	At rating level
<b>Management</b>		
Institutional Framework	10%	At rating level
Operating History: 5-Year Average of Operating Revenues / Operating Expenditures	10%	Below rating level
<b>Debt/Pensions</b>		
Net Direct Debt / Full Value	5%	At rating level
Net Direct Debt / Operating Revenues	5%	Below rating level
3-Year Average of Moody's Adjusted Net Pension Liability / Full Value	5%	Below rating level
3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues	5%	Below rating level

**Austin GO.** The City's benchmark GO bond ratings are currently the highest possible at Aaa, AAA, and AAA by Moody's, S&P, and Fitch, respectively. The superior ratings recognize the City's healthy and vibrant economy, as well as your embedded financial management practices, specifically, adherence to conservative budgeting practices and established fiscal policies which have yielded strong budget results and healthy reserve levels. While strong, Austin's GO rating is not immune to downward rating pressure, particularly in light of the rating agencies' increasing focus on retiree liabilities (pension and other post-employment benefits ("OPEB")). Issues noted by the rating agencies that are worth watching for Austin's credit include an above average debt burden and large retiree liabilities (pension and OPEB). In recent years, the rating agencies have more sharply focused on municipalities' pension and OPEB liabilities during credit reviews, as evidenced by recent downgrades of other Texas cities GO ratings (Dallas in 2015, Houston and Fort Worth in 2016). To support stability of Austin's GO ratings, PFM would recommend that the City:

- Continue the use of conservative debt structures and sizing in order to balance necessary infrastructure investment (particularly related to the proposed mobility bond election) with taxable assessed value and affordability realities; and
- Explore ways to further reduce unfunded pension and OPEB liabilities. The City took concrete steps to shore up its pension funding levels, including "tiering" its civilian plan in 2012 and increasing the level of ARC funding. The City could explore ways to further contain the growth of unfunded pension liabilities, as well as ways to address growing OPEB liabilities, be it contribution adjustments, benefit adjustments, or pre-funding of the liability.

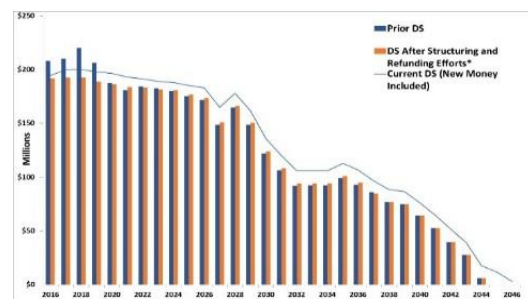
**Austin Water Utility.** Austin Water's working lien revenue bonds are rated Aa2, AA, and AA- by Moody's, S&P, and Fitch, with a stable outlook from all three agencies. Notably, the prior negative outlooks from both Moody's and Fitch were returned to stable in the most recent May 2016 bond sale for which PFM was financial advisor. The outlook revisions occurred as a result of growth in debt service coverage and improved liquidity and reflect the AWU staff's commitment to shoring up liquidity and coverage. Additionally, during the last two years, PFM worked extensively with AWU to (1) restructure existing debt in FY2015 to smooth debt service requirements for AWU (as shown in the graphic to the right), resulting in immediate DSC improvement and (2) develop a 5-year plan for the optimal structuring of future commercial paper refundings/long-term debt issuance in addition to the strategic defeasance of existing debt with capital recovery funds, which will continue to smooth debt service and enhance coverage. In light of the continued improvement in DSC, estimated to increase to 1.5x in 2016 and 1.7x in 2018, we believe that continued progress in both liquidity and DSC would support positive rating momentum over the next two to four years. PFM would advise that AWU continue to:





- Evaluate how to deploy capital recovery fees (CRFs) to shape existing debt service requirements and further enhance coverage; and
- Maintain rates and rate-setting targets so that proforma liquidity and coverage targets are achieved.

**Austin Energy.** Austin Energy's working lien revenue bonds currently have a split rating of A1/AA-/AA- from Moody's, S&P, and Fitch, with a stable outlook from all three agencies. The ratings recognize the utility's strong service area, rate setting autonomy, favorable DSC and liquidity metrics, and sound debt ratios. Due to the split rating caused by the lower A1 rating from Moody's, PFM's focus would be on aggressively communicating AE's improving coverage and liquidity metrics to push for movement to the Aa3 rating level. Moody's explicitly states that a rating upgrade is contingent upon:

- Adjusted debt service coverage of at least 2.0 times;
- Maintenance of adjusted days liquidity at or above 150 days; and
- Implementation of a generation supply strategy while maintaining current debt ratios.

The following table summarizes the key message factors from the rating agencies regarding the major securities issued by Austin. PFM would continue to work with the City to craft a rating strategy for each of the City's credits that clearly communicates the positive characteristics and looks for ways to proactively mitigate areas of concern.



Security	 <b>GO Bonds</b>	 <b>AWU Revenue Bonds</b>	 <b>AE Revenue Bonds</b>	 <b>ABIA Revenue Bonds</b>
Ratings (Moody's/S&P/Fitch)	<b>Aaa/AAA/AAA</b>	<b>Aa2/AA/AA-</b>	<b>A1/AA-/AA-</b>	<b>A1/A/--</b>
Last Rating Action	August 2015	May 2016	April 2015	December 2014
Strengths	<ul style="list-style-type: none"> <li>— Large, diverse tax base, strong economy, stable industries</li> <li>— Stable financial performance, strong liquidity and budget flexibility</li> <li>— Strong management team and financial policies</li> </ul>	<ul style="list-style-type: none"> <li>— Strong service area</li> <li>— Improved liquidity and DSC, benefitting from good management and willingness to raise rates</li> <li>— Stable water supply</li> <li>— Manageable CIP</li> </ul>	<ul style="list-style-type: none"> <li>— Strong service territory</li> <li>— Sound financial performance and liquidity</li> <li>— Manageable debt profile</li> <li>— Unregulated rate setting</li> <li>— Diverse generation supply portfolio</li> </ul>	<ul style="list-style-type: none"> <li>— Dynamic and diverse local economy</li> <li>— Modern facilities</li> <li>— Strong enplanement volume/trends</li> <li>— Good carrier diversity</li> <li>— Austin as tourist destination</li> <li>— Strong debt service coverage</li> </ul>
Challenges	<ul style="list-style-type: none"> <li>— High debt and pension burden</li> <li>— Unaddressed OPEB liabilities</li> </ul>	<ul style="list-style-type: none"> <li>— Leveraged system</li> <li>— Below average liquidity</li> </ul>	<ul style="list-style-type: none"> <li>— Deregulated Texas retail electricity market</li> <li>— Maintaining competitive and sound financial metrics while executing AE's power supply strategy</li> </ul>	<ul style="list-style-type: none"> <li>— Projected decline in DSC through 2019 before increasing thereafter</li> <li>— Variable rate debt exposure / LOC renewal risk</li> <li>— Potential for increases terminal capacity/capex</li> <li>— San Antonio competition</li> </ul>
Ratings Strategy	<ul style="list-style-type: none"> <li>— Communicate CIP, planning tools and actions taken or will take to address pension/OPEBs.</li> <li>— Likely to maintain the high rating unless debt issuance outpaces tax base capacity and/or there is severe contraction of taxable values and/or liquidity declines significantly</li> </ul>	<ul style="list-style-type: none"> <li>— Rating upgrade is possible from each of the three rating agencies over next 2-4 years if liquidity and DSC targets are met; focus on Fitch first as it has been the most negative of the three agencies</li> </ul>	<ul style="list-style-type: none"> <li>— In light of internal projections for improved liquidity and DSC, focus most aggressively on communicating this and obtaining upgrade from Moody's to eliminate the "split" rating.</li> </ul>	<ul style="list-style-type: none"> <li>— Focus would be upgrade from S&amp;P over near-term given lower rating; rating upgrade predicated on maintenance of DSC (2.0x – 2.5x) while implementing large CIP through 2019</li> </ul>

Sources: Data compiled from rating agency reports for the City of Austin from Moody's Investor Services, S&P Global Ratings, and Fitch Ratings.

**1.6 Attend executive staff and City Council meetings and present information concerning issuance as requested.** PFM stands ready to assist the City with any and all requests for information and/or testimony to City Council and/or executive staff. Over the course of our financial advisory partnership with the City, PFM, along with City staff, has often met with the City Manager to overview future financing plans and debt information and has also provided comprehensive information to support staff's interactions with City Council.

**1.7 Advise, inform and assist the City with the issuer's due diligence conference.** PFM has and will continue to assist with the coordination of the due diligence call for negotiated transactions. The City has always provided exceptionally thorough responses to underwriter counsel's questions and has a prudent policy of having all necessary staff on the call and coordinating the individual responsible for each question. We believe that PFM's history with the City, including our familiarity with the types of questions asked of the City, is an important benefit that we can continue to provide when participating in due diligence questioning.

**1.8 Provide guidance during pre-pricing and pricing negotiations with underwriters.** Working to help public issuers achieve low interest rates is a critically important part of the financial advisor's role. PFM begins every pricing discussion with its own independent pricing thoughts. As discussed in our response to 1.2, PFM's Pricing Group provides access to market information and trends and collects firm-wide knowledge and experience. PFM takes great pride in providing aggressive and informed representation to our clients in the pricing of securities. PFM clients go into pricings with an informed opinion about where their debt "should" price. We have found that this not only helps our clients to understand the bond pricing process, but also helps the underwriter(s) in their discussions with the potential investors by providing a justification for a particular yield level or coupon structure. PFM routinely maintains communications with major investors and maintains databases comprising hundreds of clients. These databases track secondary market performance, the relative pricing performance of fixed-rate bond issues, as well as variable-rate programs. As such, PFM has the ability to independently benchmark the City's pricing relative to current market levels.



**1.9 Arrange for delivery of bonds and coordinate with bond counsel and registrar; oversee bond closings with successful bidder/senior underwriter, paying agent registrar, trustee, bond counsel, disclosure counsel, verification agent, and City staff, including instructions for closing, and arrange for printing and mailing of final offering documents with printer.** PFM coordinates all closing requirements for each transaction. This includes not only preparing and distributing the closing letter, but also collaborating with other working group members to ensure that the official statement is accurate and that printing and delivery are executed in a timely manner.

**1.10 Prepare and present a post-issuance report that includes a debt schedule for the issue that includes, at a minimum, principal and interest requirements, the true interest cost, and a written discussion of any circumstances relating to the market or the City's offering**

that may have impacted the sale results. PFM provides a post-issuance report in the form of a financial advisor's memorandum to the City following each transaction. This report includes an analysis of market conditions at the time of pricing, an evaluation of allocations and allotments, an evaluation of secondary market trades, a summary of post-issuance debt service schedules, and a compilation of key offering documents and rating reports.

**1.11 Assist the City as requested in complying with continuing disclosure of financial information and operating data pursuant to all Security and Exchange Commission rules.** While the City has historically handled annual filings, PFM will work with the City in any capacity that is needed to ensure the timely and accurate filing of required continuing disclosure documents. The Treasury Office has done a tremendous job with the expedient completion and filing of the necessary information. PFM will continue to assist with required disclosure event notices throughout the year as necessary to comply with MSRB disclosure requirements.

iii. **The firm's experience and qualifications relative to the "Financial Planning and Other Tasks" in Section 0500 Scope of Work, C.2. In this discussion, include details about the firm's quantitative capabilities.**

**2.1 Assist in evaluating the performance of remarketing agents and credit facilities for commercial paper programs and variable rate demand notes, including borrowing rates, fees and other costs.** PFM has assisted the City on numerous renewals of credit facilities for the taxable and tax-exempt commercial paper programs and well as credit facilities supporting the interest rate management agreements. On each occasion, we have solicited competitive bids for the credit facilities and received outstanding results. PFM monitors bank credit facility trading spreads through our in-house system in order to evaluate the most cost-effective facilities. In addition, we utilize our national reach to see what other clients are being offered as far as fees on facilities which allows us to better negotiate agreements on the part of our clients, such as the City. The Austin office continuously monitors the trading levels for all of the City's variable rate debt outstanding to ensure that the City is paying fair market rates.

**2.2 Evaluate and offer alternative financing techniques and instruments in addition to the traditional methods of financing utilized by the City.** PFM's independence from the underwriting business is important because it allows PFM to develop objective capital financing plans for clients, which incorporate a full range of financing alternatives. As your financial advisor, PFM is not blindly committed to the notion that a municipal financing must result in the issuance of municipal bonds. Over the course of our financial advisory relationship, we recognize that the City has traditionally adhered to conservative debt instruments. Recognizing that certain of the following structures may not be suitable for the City, it should be noted that the PFM financing toolbox is comprehensive and includes the following: pay-as-you-go financing, notes, taxable notes and bonds, Qualified Energy Conservation Bonds, Variable Rate Demand Notes/Bonds, Floating Rate Notes, Tax-Exempt Commercial Paper, Capital Appreciation Bonds ("CABs"), Convertible CABs, and Put Bonds, among many other financing alternatives.

One additional financing method that has been more widely adopted over the last several years is the utilization of public-private partnerships ("P3s"). P3s are agreements formed between a public agency and private sector entity that allow for greater private sector participation in the delivery of projects. Traditionally, private sector participation has been limited to separate planning, design or construction contracts on a fee for service basis – based on the public agency's specifications. Expanding the private sector role allows public entities to tap private sector technical, management, and financial resources in new ways to achieve certain public entity objectives such as greater cost and schedule certainty, supplementing in-house staff, innovative technology applications, specialized expertise or access to private capital. PFM has advised state and local entities in the review and evaluation of more than 40 P3 projects. PFM has advised on the negotiation of 15 development agreements and on the financing of more than \$2 billion in projects. This historical knowledge is important to understanding how P3s have evolved over time and for what reasons. P3s are properly structured by specifying the roles, risks and rewards contractually, so as to provide incentives for maximum performance and the flexibility necessary to achieve the desired results.

PFM will work with the City to develop the best available solution to meet the City's needs, whether it is a traditional municipal bond issue or a direct placement with a financial institution. PFM is always available to discuss the advantages and disadvantages of alternative financing solutions with the City, and does so with the analytical capabilities of our Quantitative Strategies Group (discussed below) and the pricing/market intelligence of our Pricing Group discussed in section 1.2.

***PFM's Quantitative Capabilities - Quantitative Strategies Group ("QSG").*** Most of our work will be done by the day-to-day contacts in the Austin office and sector experts; however, there are times when there is a need for more rigorous quantitative analyses. **PFM maintains a 10-person Quantitative Strategies Group that is dedicated to the development of proactive strategies and analytical tools to meet quantitative needs of all of our clients.** PFM has built numerous customized models for our large issuer clients, including, but not limited to, debt capacity models and cash flow models. PFM's outstanding quantitative abilities allow us to prepare models that take into account not only any proposed new measure but numerous alternatives. No other financial advisory firm has the type of quantitative capability and capacity that PFM can offer the City. **We will continue to provide all of the quantitative analysis to the City by individuals on staff, without the use of subcontractors.**

PFM utilizes numerous resources to prepare number runs. We primarily use DBC, a bond sizing and structuring program utilized by most of the major underwriting firms. DBC is particularly useful for structuring new bond issuances as it uses linear optimization to find debt service structures that best meet certain objectives. Though DBC has a number of very powerful capabilities (debt sizing, refunding monitor and project finance), it has some limitations. **PFM has developed a number of proprietary models to track outstanding debt and to better monitor refunding opportunities.** Our proprietary computer models are integrated with DBC, facilitating the transfer of data from one program to another.



We have access to the same information as that of the most sophisticated Wall Street banks, including subscriptions to Bloomberg, TM3, the Bond Buyer, Moody's and Standard & Poor's, among other information services, as well as our utilization of DBC Finance and Excel-based proprietary models. Summarized to the right is a listing of the fee-based information services that we use most frequently.

These resources allow us direct access to market and credit information that we regularly use for the benefit of our clients. As already mentioned, PFM utilizes these external resources and PFM's proprietary models to provide specific structuring and pricing advice that enhances our ability to assist our clients in achieving effective bond pricings. Our access to resources is unparalleled in the industry.



Through PFM's past work with the City, we have developed and currently maintain up-to-date debt profiles on each of the City's bond programs. Our debt profile models are a comprehensive tool that can quickly summarize specific information on the bond programs. PFM also maintains a refunding screen for the City's outstanding debt with output that is customized based upon the City's specific requests. This refunding information is provided regularly to the City's financial staff, especially when there are significant movements in rates. In addition to the debt profile and refunding screen, PFM uses sophisticated Option Adjusted models, which use a set of structuring and pricing models to assess the value of varying debt and option structures. The Option Adjusted models measure an issue's spread, in basis points, relative to the non-callable Municipal Market Data ("MMD"), after adjusting for the effects of any embedded options. This provides a market-dependent, "apples to apples" basis for measuring relative value.

PFM also maintains its proprietary model SwapViewer®, which is a state-of-the-art swap monitoring service for the tax-exempt market. It is a web-based platform for swaps tracking, monitoring and reporting, tailored exclusively to meet the distinct needs of our local and state government clients such as the City. **The City presently has three swaps under three different credits – AWU, ABIA, and HOT debt. SwapViewer is able to handle the separate credits seamlessly under the City's account and show the mark-to-market value as one report, which PFM provides monthly to the City's Treasury staff.** Additionally, PFMSA has historically provided GASB 53 compliance services to the City.

PFM works with many of the largest and most complex municipal issuers throughout the United States. To meet the needs of these issuers, PFM places strong emphasis on analytical capabilities and financial modeling. Unlike other firms where analysts learn quantitative skills "on the job" as they work on bond issuances, our new analysts go through a five week training program at our Philadelphia office followed by a five week on-site training program that ensures that they have a complete and thorough understanding of bond financings before they begin working on client projects. Our senior advisors have decades of experience working on bond financings and are well versed with all of the elements of bond financings—not just quantitative analysis, but also credit analysis, state and tax law requirements, and political and policy objectives.

**2.3 Provide special financial advice to the City as needed. This may include assistance in the development of alternative financing programs for potential capital projects or assistance with upcoming bond elections, working with citizen committees, evaluating State and Federal legislation for the City, and other tasks as needed.** PFM has and will continue to assist the City in any capacity requested. We not only have a team of professionals in Texas that are experienced in bond elections and citizen communication, but have professionals across the country who specialize in specific areas of public finance. For example, PFM has dedicated teams that work in public power, water, airports, etc. We also actively monitor state and federal legislation; for example, we have assisted numerous Texas clients with the implementation of HB 1295 requirements.

**2.4 Provide financial planning services on a case-by-case basis including assisting with management studies of various enterprise funds, performing fee studies, evaluating consent agreement requests from Municipal Utility Districts, financial evaluation of developer agreements, and other like tasks.** PFM has worked on many special projects for the City. All municipal utility district transactions are reviewed and evaluated prior to city council approval and we have assisted the City in evaluating developer agreements including the Seaholm project. Currently, the Austin office is working with the convention center on a long-range financial plan.

Additionally, our affiliated Management Budget Consulting group has assisted the City on numerous fee studies and bargaining agreements in the areas of workforce, labor-management, compensation analysis, and fee analysis—these areas are a core component of our strategic consulting practice (see the graph to the right for a list of projects). As a firm, we have assisted the City and numerous other clients in developing workforce strategies integrated with operating budgets and multiyear financial plans.

#### **PFM's Affiliated Management & Budget Consulting Work for Austin**

2002-03	Assessment of the Water & Wastewater Utility
2003	Solid Waste Operations and Contracting Review
2005	Firefighter Bargaining Support
200	Executive Compensation Study
2006	Police Agency Consolidation Analysis
2008	Public Safety Bargaining Support (Police, Fire, EMS)
2010	Fee Analysis (Billboards, Development, etc)
2011-12	Fee Analysis
2013	Fee Analysis Update
2013	Public Safety Bargaining Support (Police, Fire, EMS)
2014	Environmental Health Fee Analysis

**iv. A list of governmental clients the firm has served in the capacity of Financial Advisor during the past five years. Indicate the approximate current outstanding debt of the entity. Indicate which of these clients the firm currently serves as Financial Advisor. The list of governmental clients may be submitted as an appendix that will not count toward the ten (10) page response limit.**

Please refer to Appendix A for an extensive list of governmental clients for whom PFM has served in the capacity of Financial Advisor during the past five years.

- v. The firm's ability to provide independent financial advisory services to issuers of municipal debt. Describe the firm's processes and procedures that ensure independence and protect the issuer's best interest; describe your firm's process for identifying, mitigating, and/or resolving conflicts of interest. You may include in an appendix, copies of processes and procedures substantiating these efforts.

PFM is an independent financial advisory firm that does not engage in underwriting activities. By virtue of our status as financial advisory firm independent of banking and/or underwriting activities, we avoid conflicts of interest. Consequently, PFM offers clients advice uninfluenced by the conflicts of interest which may affect other firms, such as firms that generate revenue from both financial advisory and municipal bond underwriting services. We believe that independence in the context of this question—and further, with respect to the City's adopted financial policies that require the City's financial advisory partner to be independent of banking and/or underwriting activities—refers to the real/perceived conflicts of interest that broker-dealer financial advisory firms face simply as a function of their business model. PFM's independence from the underwriting business is important because it allows PFM to develop objective capital financing plans for clients, which incorporate a full range of financing alternatives.

Broker-dealer financial advisory firms' revenue is typically derived from a minimum of two sources: (1) the provision of financial advisory services and (2) the underwriting/sales/trading function. One can immediately see that a broker-dealer financial advisory firm is beholden to at least two potentially competing objectives. It is a broker-dealer financial advisory firm's decision to participate in activities which generate revenue from the underwriting/sales/trading functions that create a framework vulnerable to real/perceived conflicts of interest. Specifically, a broker-deal financial advisory firm advocating on behalf of its issuer client must be mindful that to promote the issuer's agenda to the fullest extent implies that it may do so to the detriment of the broker-dealer financial advisory firm's buy-side customers.

PFM has assisted the City with completion of HB 1295's form "Certificate of Interested Parties" concerning conflicts of interest. Furthermore, any transaction effected under the award for this RFQ will require a conflict of interest disclosure form.

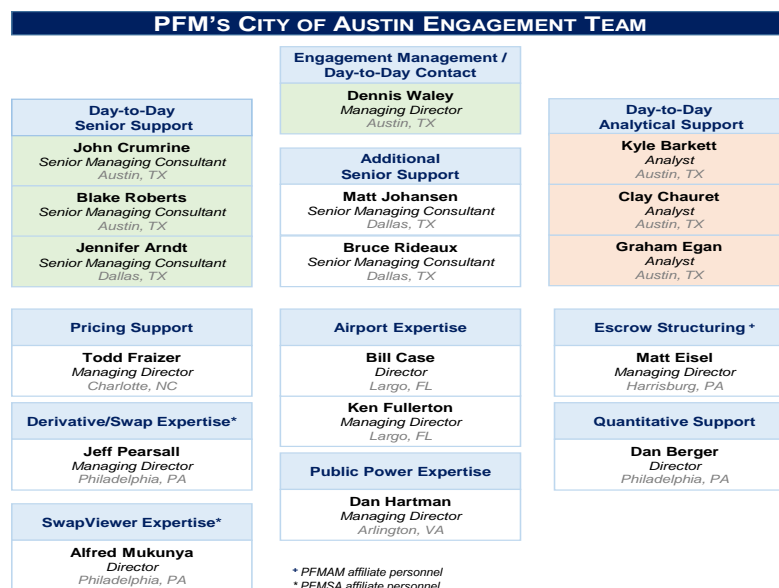
## PART IV – PERSONNEL

- i. Include names, titles, and qualifications of key professional personnel who will be assigned to this contract. State the primary work assigned to each person and the estimated percentage of time each person will devote to this work. Provide resumes for each.

PFM has assembled a highly experienced team of professionals to best meet the City's needs. Dennis Waley, Managing Director and Head of PFM's Texas practice will continue to serve as the Engagement Manager upon whom the City would rely to represent PFM and to leverage the resources of the broader team. Mr. Waley heads PFM's Texas practice from the Austin office and leads the firm's efforts in the State. **Mr. Waley has been the lead financial advisor to the City of Austin since 2009.**

Working closely with Mr. Waley and an integral part of the core day-to-day advisory team will be Senior Managing Consultants John Crumrine, Blake Roberts, and Jennifer Arndt. Mr. Crumrine has many years of experience structuring numbers for transactions of all complexities, with significant experience conducting quantitative analysis for many of Austin's prior debt issuances, and he would continue to provide these services to the City. Mr. Roberts has extensive experience in municipal credit analysis, and was responsible for covering the City's GO credit ratings (2012-2014) when he was a rating analyst at Fitch Ratings; he is responsible for providing the City with credit rating advisory and general financial planning support. Ms. Arndt also has extensive experience structuring complex financial numbers, credit rating advice, and continuing disclosure advisory services to PFM clients, and she will continue to provide these services to the City. Mr. Waley, Mr. Crumrine, Mr. Roberts, and Ms. Arndt would be the representatives attending any meetings with City staff. Todd Fraizer, Managing Director, heads our Pricing Group, will continue to be available before, during, and after pricing to help advise the City about current market conditions, provide pricing guidance, and evaluate syndicate performance. Furthermore, PFM will add subject matter experts as needed to provide assistance in meeting all of the City's needs, with public power expertise from Dan Hartman, Managing Director, Co-Head of PFM's Public Power Group, and current financial advisor to San Antonio's CPS Energy, and Bill Case and Ken Fullerton, who lead PFM's airport practice and have worked as financial advisor to ABIA. Please refer to Appendix B for resumes of all individuals included in the proposed engagement team.

The personnel graphic above provides detail on the engagement team members and specific roles. Individuals highlighted in green have primary responsibility for client-facing activities and will be available 100% of the time required to complete financial advisory tasks for the City. Individuals highlighted in orange have primary responsibility for analytical support of City engagements and will also be available 100% of the time required to complete financial advisory tasks for the City. Other individuals listed will be available, as needed, for specific engagements requested by the City.



## II. Financial Viability



**PFM I, LLC  
AND SUBSIDIARIES**

**Consolidated Financial Statements  
with Supplementary Information  
December 31, 2015 and 2014**



PEOPLE | IDEAS | SOLUTIONS

**PFM I, LLC AND SUBSIDIARIES**  
**December 31, 2015 and 2014**

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INDEPENDENT AUDITORS' REPORT

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## Independent Auditors' Report

The Board of Directors and Members  
PFM I, LLC and Subsidiaries

We have audited the accompanying consolidated financial statements of PFM I, LLC and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of income, changes in members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of PFM I, LLC and Subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script, appearing to read "Kneiser Miller".

Horsham, Pennsylvania  
March 30, 2016

**Consolidated Balance Sheets**  
**December 31, 2015 and 2014**

	2015	2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,330,453	\$ 1,938,212
Accounts receivable, net	17,275,308	16,699,660
Work-in-process, net	12,324,728	13,334,861
Prepaid expenses and other current assets	8,094,476	4,198,832
Total current assets	40,024,965	36,171,565
Equipment and improvements, net	6,401,354	5,805,169
Intangible assets, net	3,455,396	98,827
Other assets	1,159,438	1,653,536
Note receivable	338,234	349,137
Deferred income taxes	6,044,000	14,906,000
Goodwill	113,136,048	104,770,296
Total assets	\$ 170,559,435	\$ 163,754,530
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
Current liabilities:		
Line of credit	\$ 5,000,000	\$ -
Current portion of long-term debt	3,937,500	3,375,000
Accounts payable	1,169,782	1,695,023
Current portion of accrued expenses	39,694,927	33,639,053
Deferred revenue	305,299	-
Total current liabilities	50,107,508	38,709,076
Long-term debt, net of current portion	76,000,000	79,937,500
Accrued expenses, net of current portion	6,642,077	4,928,175
Deferred rent	904,688	1,212,291
Total liabilities	133,654,273	124,787,042
Members' equity:		
Members' equity (Class C-1 and C-2 units)	37,497,659	40,556,899
Contributions receivable	(592,497)	(1,589,411)
Total members' equity	36,905,162	38,967,488
Total liabilities and members' equity	\$ 170,559,435	\$ 163,754,530

See accompanying notes to consolidated financial statements.



**Consolidated Statements of Income**  
**Years Ended December 31, 2015 and 2014**

	2015	2014
Revenues:		
Professional fees	\$ 154,315,122	\$ 131,332,068
Other income	157,276	138,883
	<u>154,472,398</u>	<u>131,470,951</u>
Expenses:		
Salaries, incentive compensation, and employee benefits	96,422,099	81,360,745
General and administrative	36,533,043	33,812,403
Interest expense	4,586,452	3,400,610
Other expense	150,477	318,130
	<u>137,692,071</u>	<u>118,891,888</u>
Income before provision for income taxes	16,780,327	12,579,063
Provision for income taxes	<u>15,672,399</u>	<u>6,026,155</u>
Net income	<u>\$ 1,107,928</u>	<u>\$ 6,552,908</u>

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Members' Equity  
Years Ended December 31, 2015 and 2014

	Convertible Preferred Members' Equity <sup>1</sup>	Warrants	Convertible Preferred Equity Dividends Members' Payable
Balance, December 31, 2013	\$ 10,933,589	\$ 4,859,000	\$ 1,630,955
Members' contributions	-	-	-
Payment of preferred equity dividend	-	-	(1,630,955)
Redemption of preferred members' equity	(10,933,589)	(4,859,000)	-
Redemption of common members' equity	-	-	-
Net income	-	-	-
Balance, December 31, 2014	-	-	-
Members' contributions	-	-	-
Equity-based compensation expense recorded in connection with note receivable (Note 9)	-	-	-
Equity-based compensation expense recorded in connection with unit grant agreements (Note 16)	-	-	-
Redemption of common members' equity	-	-	-
Members' distributions	-	-	-
Net income	-	-	-
Balance, December 31, 2015	\$ -	\$ -	\$ -

<sup>1</sup>Convertible preferred equity includes 9,851,463 Class A units and 11,334,479 Class B units, as of December 31, 2013.

<sup>2</sup>Common equity includes 18,172,423, 18,303,813, and 15,422,624 Class C-1 units and 20,908,057, 21,059,226, and 17,744,310 Class C-2 units, as of December 31, 2015, 2014, and 2013, respectively.

See accompanying notes to consolidated financial statements.

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Common Members' Equity <sup>2</sup>	Common Members' Equity Contributions Receivable	Total Members' Equity
\$ 47,870,578	\$ (1,743,457)	\$ 63,550,665
9,810,613	154,046	9,964,659
-	-	(1,630,955)
(23,140,094)	-	(38,932,683)
(537,106)	-	(537,106)
6,552,908	-	6,552,908
40,556,899	(1,589,411)	38,967,488
4,038,655	196,914	4,235,569
-	800,000	800,000
71,000	-	71,000
(4,789,123)	-	(4,789,123)
(3,487,700)	-	(3,487,700)
1,107,928	-	1,107,928
\$ 37,497,659	\$ (592,497)	\$ 36,905,162

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Consolidated Statements of Cash Flows  
Years Ended December 31, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Net income	\$ 1,107,928	\$ 6,552,908
Adjustments to reconcile net income to net cash provided by operating activities:		
Change in fair value of contingent consideration	35,606	(26,421)
Change in fair value of deferred consideration	24,135	-
Change in fair value of interest rate swap	150,477	318,130
Depreciation and amortization	2,623,663	2,465,451
Change in accounts receivable reserve	228,081	(16,162)
Change in work-in-process reserve	(340,112)	313,350
Deferred income taxes	8,862,000	(67,000)
Equity-based compensation expense	871,000	-
(Increase) decrease in:		
Accounts receivable	(803,729)	4,867,152
Work-in-process	1,350,245	(3,593,613)
Prepaid expenses and other current assets	(3,895,644)	(48,377)
Other assets	218,322	198,989
Note receivable	10,903	10,500
Increase (decrease) in:		
Accounts payable	(525,241)	(5,242,965)
Accrued expenses	(57,470)	1,812,107
Deferred rent	(307,603)	(290,888)
Net cash provided by operating activities	9,552,561	7,253,161
Cash flows from investing activities:		
Purchases of equipment and improvements	(2,336,114)	(1,681,288)
Acquisition of Stauder Barch & Associates, Inc.	(4,700,000)	-
Payment of contingent consideration	(107,952)	(233,273)
Net cash used in investing activities	(7,144,066)	(1,914,561)
Cash flows from financing activities:		
Net borrowings on (repayments of) line of credit	5,000,000	(11,937,646)
Repayments of long-term debt	(3,375,000)	(2,343,750)
Members' contributions	4,235,569	9,964,659
Members' distributions	(3,087,700)	-
Redemption of common members' equity	(4,789,123)	(537,106)
Redemption of preferred members' equity less cash acquired	-	295,506
Net cash used in financing activities	(2,016,254)	(4,558,337)
Net increase in cash and cash equivalents	392,241	780,263
Cash and cash equivalents, beginning of year	1,938,212	1,157,949
Cash and cash equivalents, end of year	\$ 2,330,453	\$ 1,938,212

Continued...

Consolidated Statements of Cash Flows, Continued  
Years Ended December 31, 2015 and 2014

	2015	2014
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	\$ 4,624,587	\$ 3,373,787
Income taxes	\$ 7,027,785	\$ 5,966,783

Supplemental disclosure of noncash investing and financing activities:

In connection with the 2015 acquisition of Stauder Barch & Associates described in Note 4, Public Financial Management, Inc. incurred contingent consideration with a fair value of \$1,888,216.

In connection with the 2015 acquisition of Whitebirch Software, Inc. described in Note 4, PFM Ventures, LLC incurred deferred consideration with a fair value of \$5,587,241.

As described in Note 2, the Company has accrued tax distributions of \$400,000 as of December 31, 2015.

In connection with the 2014 redemption of preferred member units and the line of credit, term loan, and private placement notes described in Notes 3, 10, and 11, the Company refinanced its existing line of credit and term loan. In addition to funding \$43,690,070 of the aggregate redemption price of \$43,807,819, the Company also used a portion of the proceeds to pay the preferred yield, as further described in Note 16, of \$1,630,955.

In connection with the 2014 redemption and refinancing, the Company used proceeds totaling \$1,952,419 for transaction expenses and \$185,049 for monitoring fees, which are included in the change in accrued expenses on the 2014 consolidated statement of cash flows. The Company also used a portion of the proceeds to pay \$788,791 of refinancing fees, which are included in the change in other assets on the 2014 consolidated statement of cash flows.

In connection with the 2014 redemption and refinancing, the Company converted \$3,712,354 of its line of credit and \$9,112 of accrued interest to long-term debt.

See accompanying notes to consolidated financial statements.

**PFM I, LLC AND SUBSIDIARIES****Notes to Consolidated Financial Statements  
December 31, 2015 and 2014**

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**(1) Nature of Business**

As of December 31, 2015, PFM I, LLC (PFM I) wholly owns PFM Investment, LLC (PFM Investment). PFM Investment wholly owns Public Financial Management, Inc., PFM Asset Management LLC and Subsidiaries, PFM Financial Services LLC, PFM Swap Advisors LLC, and PFM Ventures, LLC and Subsidiary.

PFM I will continue until the occurrence of an event of dissolution as described in its third amended and restated limited liability company operating agreement (the Operating Agreement). Events of dissolution include the written consent of holders of at least 76% of the member units, the sale or disposition of substantially all of PFM I's assets, or any event specified under law as an event causing dissolution of PFM I.

Public Financial Management, Inc. (PFM) is a professional services firm that specializes in providing financial advisory services primarily to state and local governments and nonprofit institutions throughout the United States. Financial advisory services relate principally to the structuring, pricing and rating of debt, and consulting on finance related matters.

PFM Asset Management LLC (PFMAM) is an investment advisory firm that specializes in providing money-management and investment advisory services primarily to state and local governments, nonprofit institutions and retirement plans throughout the United States.

PFM Fund Distributors, Inc. (Fund Distributors), a wholly-owned subsidiary of PFMAM, is a broker-dealer whose sole purpose is to serve as the distributor or marketing agent for local government investment pools and registered investment companies for which PFMAM serves as investment adviser and/or administrator and/or transfer agent. Shares in these local government investment pools and registered investment companies are offered and sold only to institutional investors, the majority of which are state and local governmental entities. Fund Distributors has no present plans to buy, sell, or trade securities.

BondResource Partners, LP and BondResource Partners, LLC (collectively, BondResources) are wholly-owned subsidiaries of PFMAM. BondResources is a professional services firm that specializes in providing bond management services and calculations primarily to tax-exempt entities.

PFM Financial Services LLC (FiServ) provides a national program for procurement cards, issued through an unrelated financial institution.

PFM Swap Advisors LLC (PFMSA) is a professional services firm that specializes in assisting clients with interest-rate swaps and other derivatives. PFMSA was formed during the year ended December 31, 2014 and had no significant activity during that year.

*Continued...*

**PFM I, LLC AND SUBSIDIARIES****Notes to Consolidated Financial Statements  
December 31, 2015 and 2014**

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**(1) Nature of Business, Continued**

PFM Ventures, LLC (PFM Ventures) is a holding company that owns PFM Solutions LLC.

PFM Solutions LLC (PFM Solutions), a subsidiary of PFM Ventures, specializes in providing customized, comprehensive strategic planning services to governmental, not-for-profit, and for-profit institutions. PFM Solutions was formed during the year ended December 31, 2015 as part of PFM Ventures' acquisition of Whitebirch Software, Inc. (Whitebirch). See Note 4 for details of the acquisition.

ICV/PFM Investor, Inc. (InvestorCo) was a wholly-owned subsidiary of PFM I until it was liquidated during 2015. InvestorCo acted as a holding company that owned class C-2 member units of PFM I. During 2015, the liquidation of InvestorCo resulted in a tax liability of \$5,000,000. Additionally, the Company incurred \$1,500,000 and \$2,700,000 of additional income tax expense from the usage and write-off, respectively, of net operating loss carryforwards and other deferred tax assets, which is recorded in provision for income taxes in the accompanying consolidated statements of income.

Subsequent to December 31, 2015, PFM Financial Advisors LLC was formed to provide support to the regulated business of municipal and financial advising and PFM Group Consulting LLC was formed to provide consulting services for unregulated entities or activities.

**(2) Summary of Significant Accounting Policies*****Principles of Consolidation***

The accompanying consolidated financial statements include the accounts of PFM I, PFM Investment, InvestorCo, PFM, PFMAM and Subsidiaries, FiServ, PFMSA, and PFM Ventures and Subsidiary (collectively, the Company). All significant intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

***Cash Equivalents***

Short-term investments and other highly liquid instruments having original maturities of three months or less are considered to be cash equivalents.

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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(2) Summary of Significant Account Policies, Continued

*Equipment and Improvements*

Equipment and improvements are stated at cost. The straight-line method of depreciation is used for financial reporting purposes over estimated useful lives generally ranging from three to ten years for computer software, three to five years for equipment, and five to ten years for furniture and fixtures. Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets, which generally range from two to ten years. Maintenance and repairs are charged to expense as incurred. Betterments and renewals, which extend the useful lives or capacities of the equipment and improvements, are capitalized. Gains or losses resulting from the sale or disposal of equipment and improvements are included in the consolidated statements of income.

*Intangible Assets*

Intangible assets consist primarily of customer lists and non-competition agreements. The straight line method of amortization is used for financial reporting purposes over estimated useful lives ranging from three to five years.

*Deferred Financing Costs*

Deferred financing costs, included in other assets in the accompanying consolidated balance sheets, are amortized over the term of the related loans. Deferred financing costs at December 31, 2015 and 2014 were \$608,344 and \$733,643, respectively. Amortization for the years ended December 31, 2015 and 2014 was \$125,299 and \$291,699, respectively.

*Goodwill*

In accordance with Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 350, *Intangibles – Goodwill and Other*, the Company assesses goodwill for impairment on an annual basis. No impairment of goodwill was recognized during the years ended December 31, 2015 and 2014.

*Revenue Recognition*

A majority of the Company's fees are based on either fixed price or hourly contracts, or assets under management.

The Company's financial advisory contracts are typically long-term in nature. Revenue for these fixed price and hourly contracts is recognized when realized or realizable, and earned. This occurs when an arrangement exists, services have been rendered, the fees are fixed and determinable, and collectability is reasonably assured.

*Continued...*



## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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## (2) Summary of Significant Account Policies, Continued

*Revenue Recognition, Continued*

Revenue for asset management is primarily calculated as a percentage of compensable assets under management. At December 31, 2015 and 2014, the Company managed compensable assets with a fair value of approximately \$69 billion and \$61 billion, respectively. Compensable assets are subject to market fluctuations.

The Company generally bills in arrears for services performed. Unbilled revenue is recorded in work-in-process in the accompanying consolidated balance sheets.

*Advertising*

The Company expenses advertising costs when incurred. Total advertising expenses, recorded in general and administrative expenses in the accompanying consolidated statements of income, for the years ended December 31, 2015 and 2014 were \$1,480,755 and \$990,892, respectively.

*Income Taxes*

PFM I, PFM Investment, PFMAM, FiServ, PFMSA, BondResources, PFM Ventures, and PFM Solutions (collectively, the Partnerships) file combined federal and state income tax returns. The Partnerships' activities are reported under the partnership provisions of the Internal Revenue Code (IRC) and various state statutes for income tax reporting. Accordingly, the members of PFM I are individually liable for the taxes on their respective shares of the Partnerships' consolidated income or loss.

PFM and Fund Distributors are C corporations. InvestorCo was a C corporation prior to its liquidation. Income taxes are computed in accordance with FASB ASC 740, *Income Taxes*. This standard requires an asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the book and tax bases of assets and liabilities, as well as the estimated future tax consequences attributable to net operating loss and tax credit carryforwards. A valuation allowance is established if, based upon all available information, it is deemed more likely than not that a portion or all of a deferred tax asset will not be realized.

FASB ASC 740 is the authoritative pronouncement on accounting for and reporting income tax liabilities and expense. FASB ASC 740 prescribes a more-likely-than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken. In addition, FASB ASC 740 provides guidance on derecognition, classification and disclosure.

*Continued...*

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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## (2) Summary of Significant Account Policies, Continued

*Income Taxes, Continued*

The Company files income tax returns in the U.S. federal jurisdiction, and various state and local jurisdictions. The Company's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return. It is difficult to predict the final timing and resolution of any particular uncertain tax position. Based on the Company's assessment of many factors, including past experience and complex judgments about future events, the Company does not currently anticipate significant changes in its uncertain tax positions over the next 12 months.

Under the Operating Agreement, PFM I is generally required, with certain exceptions, to make periodic distributions to the members for federal and state income taxes on pass-through income. Exceptions include restrictions in financing agreements and availability of funds. The Company has accrued tax distributions of \$400,000 as of December 31, 2015. There were no tax distributions accrued as of December 31, 2014.

*Adoption of Accounting Standards Update*

During 2015, the FASB issued *Accounting Standards Update (ASU) 2015-17, Income Taxes: Balance Sheet Classification of Deferred Taxes*. This ASU simplifies the presentation of deferred income tax assets and liabilities by requiring the net deferred income tax asset or liability to be classified as noncurrent in the statement of financial position. The Company has elected to early adopt the provisions of ASU 2015-17. The Company has chosen to retrospectively apply the provisions of ASU 2015-17 and as a result, the Company reclassified current deferred income tax assets of \$15,480,000 and long-term deferred income tax liabilities of \$574,000 to a net non-current deferred income tax asset of \$14,906,000 in the accompanying consolidated balance sheet as of December 31, 2014.

*Concentrations of Credit Risk*

Financial instruments that potentially expose the Company to concentrations of credit risk consist principally of cash and cash equivalents, accounts receivable, and work-in-process. The Company principally utilizes national banks to maintain its operating cash accounts. At certain times, such balances may be in excess of the FDIC insurance limits. The Company's principal customers are state and local governments, nonprofit institutions and retirement plans. Services to these customers are normally provided under contractual arrangements. The Company assesses the financial strength of its customers on an ongoing basis. The Company records accounts receivable and work-in-process reserves at levels considered by management to be adequate to absorb estimates of probable future losses (uncollectable amounts) existing at the consolidated balance sheet date. These reserves are based on estimates, and ultimate losses may differ from those estimates.

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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(2) Summary of Significant Account Policies, Continued

*Concentrations of Credit Risk, Continued*

In the normal course of its operations, the Company enters into contracts and agreements that contain indemnifications and warranties. The Company's maximum exposure under these agreements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. The Company expects the risk of loss to be remote.

*Use of Estimates*

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Reclassification*

Certain items in the accompanying 2014 consolidated financial statements have been reclassified to conform to the current year presentation.

*Recent Accounting Standards*

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. This ASU impacts measurement, recognition and disclosure of revenue from contracts. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The ASU is effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019. A nonpublic entity may elect to apply this guidance earlier, under certain conditions. The Company is currently evaluating the impact that the adoption of this ASU will have on its consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, *Interest – Imputation of Interest* which requires debt issuance costs to be presented as a direct deduction from the carrying amount of the related debt liability. The debt issuance costs shall be amortized over the life of the loan as interest expense. The ASU is effective for annual reporting periods beginning after December 15, 2015, and interim periods beginning after December 15, 2016. The Company is currently evaluating the impact that the adoption of this ASU will have on its consolidated financial statements.

*Continued...*

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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**(2) Summary of Significant Account Policies, Continued***Recent Accounting Standards, Continued*

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* which requires lessees to recognize the following for all leases other than short-term leases at the commencement of a lease: a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The ASU is effective for annual reporting periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020. Early application is permitted. The Company is currently evaluating the impact that the adoption of this ASU will have on its consolidated financial statements.

**(3) Redemption of Preferred Member Units**

Effective February 2014, PFM I acquired all of the issued and outstanding capital stock of InvestorCo. InvestorCo held all outstanding Class B convertible preferred member units of PFM I and all warrants for Class C-2 member units of PFM I. The acquisition of InvestorCo resulted in the recognition of certain identifiable assets, including cash of \$413,255, prepaid expenses of \$261,881, and deferred tax assets of \$4,200,000. PFM I further redeemed all of its outstanding Class A convertible preferred member units and all warrants for Class C-1 member units from ICV/PFM Co-Investor, LLC. The aggregate redemption price for these units and the identifiable assets was \$43,807,819. In connection with the redemption, PFM Investment, PFM, PFMAM, and FiServ (collectively, the Borrowers) refinanced the joint line of credit and term loan, as further described in Notes 10 and 11. PFM Investment also issued and sold \$40,000,000 of private placement notes, as described in Note 11.

During 2014, PFM I eliminated the Class A and Class B convertible preferred member units and all warrants for Class C-1 and Class C-2 member units.

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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(4) Acquisitions

*Stauder Barch & Associates, Inc.*

In July 2015, PFM completed the acquisition of certain assets of Stauder Barch & Associates, Inc. (SBA). PFM acquired SBA for the purposes of expanding its presence and creating more opportunities to provide financial advisory services to government and non-profit entities in Michigan and the surrounding states.

Fair Value of Consideration Transferred:	
Cash	\$ 4,700,000
Contingent consideration	1,888,216
	<u>\$ 6,588,216</u>

Recognized Amounts of Identifiable Assets Acquired and Liabilities Assumed:	
Customer list	\$ 3,480,000
Non-competition agreement	272,890
Furniture and fixtures	162,114
Goodwill	2,673,212
	<u>\$ 6,588,216</u>

The acquisition of SBA includes a contingent consideration arrangement that requires additional consideration to be paid by PFM based on the revenues attributable to SBA through July 31, 2017. Amounts are payable on a yearly basis, beginning in 2016, if each year's target revenues are met. The fair value of the contingent consideration is remeasured as of each reporting date using level 3 inputs, as described in Note 5.

The goodwill is primarily attributable to the workforce of the acquired business and additional market presence in Michigan and the surrounding states and is deductible for income tax purposes.

There were \$107,792 in acquisition-related costs which were included in general and administrative expenses in the accompanying consolidated statement of income for the year ended December 31, 2015.

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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(4) Acquisitions, Continued

*Whitebirch Software, Inc.*

In December 2015, PFM Ventures completed an acquisition of certain assets of Whitebirch through the creation of PFM Solutions. The acquisition was carried out for the purposes of enhancing the Company's financial and strategic modeling software and expanding the Company's client base.

Fair Value of Consideration Transferred:	
Deferred consideration	\$ 5,587,241
Recognized Amounts of Identifiable Assets Acquired and Liabilities Assumed:	
Computer software	\$ 200,000
Goodwill	5,692,540
Deferred revenue	(305,299)
	<u>\$ 5,587,241</u>

The acquisition includes deferred consideration. Due to this deferred consideration, the Company has recorded a liability for the estimated fair value of the consideration to be paid. The amounts to be paid are based on the net income or loss attributable to PFM Solutions, plus interest, taxes, depreciation, and amortization, multiplied by eight, (the PFM Solutions Fair Market Value) for each of the years ended December 31, 2018 through December 31, 2023. Payments will be made each year from 2019 through 2024, or earlier under certain conditions, at the prior year's PFM Solutions Fair Market Value. The fair value of the deferred consideration is remeasured as of each reporting date using level 3 inputs, as described in Note 5.

The goodwill is primarily attributable to the Company's expectation of extending the software's market, while enhancing the Company's existing products and services and is deductible for income tax purposes when recognized upon payment of the deferred consideration.

There were \$53,303 in acquisition-related costs which were included in general and administrative expenses in the accompanying consolidated statement of income for the year ended December 31, 2015.

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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**(5) Fair Value Measurements**

FASB ASC 820, *Fair Value Measurements and Disclosures*, defines fair value and establishes a framework for measuring and disclosing fair value in accordance with accounting principles generally accepted in the United States of America.

Various inputs may be used to determine the value of the Company's financial assets and liabilities. These inputs are summarized in three broad levels listed below. The input levels or methodologies used for valuing financial assets and liabilities are not necessarily an indication of the risk associated with those financial assets and liabilities.

Level 1: Quoted prices in active markets for identical financial assets and liabilities.

Level 2: Observable inputs other than level 1 quoted prices.

Level 3: Unobservable inputs.

Observable inputs are inputs that other market participants may use in pricing a financial asset or liability. These may include quoted prices for similar assets and liabilities, interest rates, prepayment speeds, credit risk, and others. The determination of what constitutes observable inputs requires judgment by management of the Company.

In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an asset or liability at the end of the period), unobservable inputs may be used. Unobservable inputs reflect the Company's own assumptions about the factors market participants would use in pricing an asset or liability, and would be based upon available information.

For the years ended December 31, 2015 and 2014, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value:

***Contingent Consideration***

In accordance with FASB ASC 805, *Business Combinations*, the Company remeasures the fair value of contingent consideration as of each reporting date. The fair value of contingent consideration is based on significant inputs not observable in the market which FASB ASC 820 refers to as level 3 inputs, and has been included in accrued expenses in the accompanying consolidated balance sheets.

*Continued...*



Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

(5) Fair Value Measurements, Continued

*Contingent Consideration, Continued*

Key assumptions as of December 31, 2015 and 2014 include the following:

		2015					
	Range of Years to Earn Contingent Consideration	Range of Undiscounted Contingent Consideration (thousands)	Estimated Range of Contingent Consideration Outcomes	Cumulative Contingent Consideration Earned	Cumulative Contingent Consideration Paid	Fair Value of Outstanding Contingent Consideration	Discount Rate
SBA	2016 - 2017	\$1,545 - \$2,060	100%	\$ -	\$ -	\$ 1,909,120	6.00%
SDM Advisors, Inc.	2014 - 2016	\$0 - \$430	100%	\$ 241,225	\$ 241,225	\$ 133,282	2.14%
		2014					
	Range of Years to Earn Contingent Consideration	Range of Undiscounted Contingent Consideration (thousands)	Estimated Range of Contingent Consideration Outcomes	Cumulative Contingent Consideration Earned	Cumulative Contingent Consideration Paid	Fair Value of Outstanding Contingent Consideration	Discount Rate
SDM Advisors, Inc.	2014 - 2016	\$0 - \$430	70% - 100%	\$ 81,229	\$ 133,273	\$ 226,532	2.14%
Public FA, Inc.	2012 - 2013	\$0 - \$200	80% - 100%	\$ 165,000	\$ 165,000	\$ -	7.50%

*Deferred Consideration*

The fair value of the deferred consideration recognized in connection with the acquisition of Whitebirch was estimated by applying a discounted cash flow model. That measurement method is based on significant inputs not observable in the market, which FASB ASC 820 refers to as level 3 inputs. The undiscounted payment amount is based off the PFM Solutions Fair Market Value as described in Note 4. Key assumptions include an estimated base scenario of undiscounted cash flows of \$9,300,000 with a 60% probability and an alternate scenario of undiscounted cash flows of \$6,500,000 with a 40% probability. A discount rate of 6% was utilized for both scenarios. The deferred consideration recognized at the acquisition date was remeasured to a fair value of \$5,611,376 as of December 31, 2015, and is included in accrued expenses, net of current portion in the accompanying consolidated balance sheets.

*Interest Rate Swap Agreements*

The interest rate swap agreements, as described in Note 11, are pay-fixed, receive-variable interest rate swaps based on a LIBOR swap rate with a floor of 3%. The LIBOR swap rate is observable at commonly quoted intervals for the full time of the interest rate swap which has been included in other assets in the accompanying consolidated balance sheets.

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

(5) Fair Value Measurements, Continued

The tables below present the assets and (liabilities) measured at fair value on a recurring basis:

	December 31, 2015			
	Total	Level 1	Level 2	Level 3
Interest rate swap agreements	\$ 16,492	\$ -	\$ 16,492	\$ -
Contingent consideration	\$ (2,042,402)	\$ -	\$ -	\$ (2,042,402)
Deferred consideration	\$ (5,611,376)	\$ -	\$ -	\$ (5,611,376)

	December 31, 2014			
	Total	Level 1	Level 2	Level 3
Interest rate swap agreements	\$ 166,969	\$ -	\$ 166,969	\$ -
Contingent consideration	\$ (226,532)	\$ -	\$ -	\$ (226,532)

The changes in the balances of the liabilities measured at fair value based on level 3 inputs are summarized as follows:

	Contingent Consideration	Deferred Consideration
Balance at December 31, 2013	\$ 486,226	\$ -
Contingent consideration paid	(233,273)	-
Change in fair value	(26,421)	-
Balance at December 31, 2014	226,532	-
Fair value recognized at acquisition date	1,888,216	5,587,241
Contingent consideration paid	(107,952)	-
Change in fair value	35,606	24,135
Balance at December 31, 2015	\$ 2,042,402	\$ 5,611,376

## PFM I, LLC AND SUBSIDIARIES

**Notes to Consolidated Financial Statements**  
**December 31, 2015 and 2014**


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**(6) Accounts Receivable and Work-In-Process**

The components of accounts receivable are as follows at December 31:

	2015	2014
Accounts receivable	\$ 18,415,114	\$ 17,611,385
Accounts receivable reserve	(1,139,806)	(911,725)
Accounts receivable, net	<u>\$ 17,275,308</u>	<u>\$ 16,699,660</u>

The components of work-in-process are as follows at December 31:

	2015	2014
Work-in-process	\$ 12,676,813	\$ 14,027,058
Work-in-process reserve	(352,085)	(692,197)
Work-in-process, net	<u>\$ 12,324,728</u>	<u>\$ 13,334,861</u>

**(7) Equipment and Improvements**

Equipment and improvements consist of the following at December 31:

	2015	2014
Leasehold improvements	\$ 4,005,356	\$ 3,672,203
Furniture and fixtures	8,421,218	8,189,810
Equipment	5,726,341	4,589,263
Computer software	15,762,128	14,765,538
	<u>33,915,043</u>	<u>31,216,814</u>
Accumulated depreciation and amortization	(27,513,689)	(25,411,645)
	<u>\$ 6,401,354</u>	<u>\$ 5,805,169</u>

Depreciation and amortization expense was \$2,102,043 and \$2,027,718 for the years ended December 31, 2015 and 2014, respectively.

**Notes to Consolidated Financial Statements**  
**December 31, 2015 and 2014**

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**(8) Intangible Assets**

Intangible assets consist of the following at December 31:

	2015	2014
Trade name	\$ -	\$ 32,200
Customer lists	4,415,740	1,547,954
Non-competition agreements	296,281	23,391
	4,712,021	1,603,545
Accumulated amortization	(1,256,625)	(1,504,718)
	<u>\$ 3,455,396</u>	<u>\$ 98,827</u>

Amortization expense for the years ended December 31, 2015 and 2014 was \$396,321 and \$146,034, respectively. Estimated amortization expense for the years ending December 31, 2016, 2017, 2018, 2019, and 2020 is \$785,763, \$773,090, \$764,223, \$726,320, and \$406,000, respectively.

**(9) Notes Receivable**

PFM has a promissory note receivable from an employee. The note bears interest at 3.5% per year, is payable in monthly installments of \$1,912 and continues through October 2036. The note is collateralized by certain property of the employee.

PFM I had a \$1,000,000 receivable in connection with the issuance of certain member units. The receivable bears interest at the Internal Revenue Service's applicable federal rate per year (.56% at December 31, 2015). During 2015, PFM I recognized \$800,000 of equity based compensation expense, recorded in salaries, incentive compensation and employee benefits in the accompanying consolidated statements of income, in connection with a reduction in the receivable balance for the same amount. At December 31, 2015, the remaining balance of the receivable was \$200,000 and is included in contributions receivable in the accompanying consolidated balance sheets.

**(10) Line of Credit**

As of December 31, 2015, the Borrowers have available a joint line of credit that expires on June 28, 2019. The maximum available borrowings are \$40,000,000, subject to certain conditions in the credit agreement. The Borrowers are jointly and severally liable to the lenders for the full payment and performance under the line of credit. The line of credit contains mandatory prepayment provisions as described in Note 11.

*Continued...*

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014**(10) Line of Credit, Continued**

Unpaid cash advances bear interest at the base rate plus an applicable margin, or the LIBOR rate plus an applicable margin. The applicable margin for the base rate ranges from 0.00% to 1.00% based on the Company's consolidated senior leverage ratio. The applicable margin for the LIBOR rate ranges from 2.00% to 3.25% based on the Company's consolidated senior leverage ratio. The applicable interest rate at December 31, 2015 is 2.44%. The line of credit is collateralized by certain assets of the Borrowers and is guaranteed by PFM I, PFMSA, BondResources, and PFM Ventures. At December 31, 2015 there is \$5,000,000 outstanding on the line of credit.

The Company's credit agreement also provides for up to \$2,000,000 in letters of credit. The outstanding letters of credit reduce the maximum available borrowings on the line of credit. The Company has outstanding letters of credit totaling \$534,890 as of December 31, 2015. See Note 15.

**(11) Long-Term Debt**

Long-term debt consists of the following at December 31:

	2015	2014
<hr/>		
\$45,000,000 term loan agreement with the Borrowers, jointly and severally liable, and eight lenders, payable in quarterly principal installments ranging from \$843,750 to \$1,687,500 through March 2019, with interest payments made periodically in accordance with the agreement, and with the remaining unpaid principal and interest due June 2019. The term loan bears interest at the base rate plus an applicable margin, or the LIBOR rate plus an applicable margin. The applicable margin for the base rate ranges from 0.00% to 1.00% based on the Company's consolidated senior leverage ratio. The applicable margin for the LIBOR rate ranges from 2.00% to 3.25% based on the Company's consolidated senior leverage ratio. The applicable rate at December 31, 2015 is 2.44%. The term loan is collateralized by certain assets of the Borrowers and is guaranteed by PFM I, PFMSA, BondResources, and PFM Ventures.	\$ 39,937,500	\$ 43,312,500

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

## (11) Long-Term Debt, Continued

	2015	2014
\$40,000,000 private placement notes with PFM Investment and nine noteholders, with interest only payments made quarterly in arrears and with the remaining unpaid principal and interest due June 2022. The notes are subordinated to the term loan and line of credit. The subordination agreement prohibits principal payments on the notes prior to repayment in full of the term loan and line of credit. The notes bear interest at a rate of 8% through June 2019 and at the LIBOR rate plus 5.76% from July 2019 through June 2022. Principal prepayments are permitted, subject to the subordination agreement. Any prepayments made prior to June 2019 must include a make-whole penalty, which generally represents interest expense related to the prepayments. The notes are guaranteed by PFM I, PFM, PFMAM, FiServ, PFMSA, BondResources, and PFM Ventures.	40,000,000	40,000,000
	79,937,500	83,312,500
Current portion	(3,937,500)	(3,375,000)
	<u>\$ 76,000,000</u>	<u>\$ 79,937,500</u>

The aggregate future annual principal payments of long-term debt consist of the following:

Years Ending December 31,	Amount
2016	\$ 3,937,500
2017	4,500,000
2018	5,625,000
2019	25,875,000
2020	-
Thereafter	40,000,000
	<u>\$ 79,937,500</u>

Continued...

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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**(11) Long-Term Debt, Continued**

The Borrowers may also request an aggregate increase of up to \$20,000,000 in the amounts available under the term loan and line of credit. The Borrowers' ability to request these additional borrowings is subject to certain conditions and expires in June 2017. Upon the occurrence of certain issuances of members' units, receipt of certain insurance proceeds, certain asset dispositions, or if the Company's consolidated senior leverage ratio is 3.00 to 1.00 or greater, the Borrowers are required to make mandatory prepayments to be applied to the term loan, then the line of credit, and lastly, the notes. The Company must maintain certain financial and operational covenants in connection with the term loan, line of credit, and the notes.

***Interest Rate Swap Agreements***

The Borrowers entered into two interest rate swap agreements (the Swaps) with total notional amounts of \$34,343,750 and \$10,000,000, respectively. Under the terms of the Swaps, the Borrowers prepaid fixed interest payments of \$521,600 and \$219,500, respectively, and receive interest at a floating rate of the excess of LIBOR over 3%. The prepaid fixed interest payments aggregating \$386,660 and \$541,324 at December 31, 2015 and 2014, respectively, are included in other assets on the accompanying consolidated balance sheets and are being amortized over the term of the Swaps. The Swaps commenced October 2013 and expire July 2018. The Borrowers did not elect to designate the Swaps as hedging instruments. Therefore, in accordance with FASB ASC 815, *Derivatives and Hedging*, the gain or loss resulting from the change in fair value of the Swaps is recognized in earnings. The fair value of the Swaps at December 31, 2015, of \$11,001 and \$5,491, respectively, and at December 31, 2014, of \$114,584 and \$52,385, respectively, is recorded in other assets on the accompanying consolidated balance sheets. The loss on change in fair value of \$150,477 and \$318,130 for the years ended December 31, 2015 and 2014, respectively, was recognized in other expense in the accompanying consolidated statements of income.

**(12) Capital Leases**

During 2015, PFM entered into a \$4,000,000 equipment finance lease facility to lease equipment. The lease facility expires on June 30, 2016. Under the terms of this agreement, equipment can be leased for up to 60 months. Lease obligations bear interest at the LIBOR rate plus 2% and are guaranteed by PFM Investment, PFMAM, and FiServ. The Company did not draw on the facility during 2015. The remaining availability at December 31, 2015 is \$4,000,000.

Subsequent to December 31, 2015, the Company acquired \$561,460 of equipment through a capital lease under the terms of the equipment finance lease facility.



## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014**(13) Retirement Plans**

PFM, PFMAM, and PFMSA sponsor a qualified 401(k) and profit sharing plan. PFM, PFMAM, and PFMSA match 50% of employee contributions to the 401(k) plan, up to the first 6% of an employee's salary. Profit sharing contributions are made at the discretion of the board of directors of PFM I. There is a one-year service requirement and employees are fully vested in the matching contributions immediately upon their entry date and after six years of service for the profit sharing contributions. Employer contributions for the years ended December 31, 2015 and 2014 totaled \$3,175,995 and \$2,936,267, respectively, for the profit sharing contribution and \$1,600,884 and \$1,451,282, respectively, for the matching 401(k) contribution.

**(14) Income Taxes**

The provision for income taxes consisted of the following for the years ended December 31:

	2015	2014
Current:		
Federal	\$ 1,488,301	\$ 4,991,464
State	322,098	1,101,691
	<u>1,810,399</u>	<u>6,093,155</u>
Deferred:		
Federal	3,521,000	(50,000)
State	1,141,000	(17,000)
	<u>4,662,000</u>	<u>(67,000)</u>
Liquidation of InvestorCo	9,200,000	-
	<u>\$ 15,672,399</u>	<u>\$ 6,026,155</u>

The Company's effective tax rate differs from what would be expected if the federal statutory rate was applied to income before income taxes primarily because of pass-through income and because of certain expenses deductible for financial reporting purposes that are not deductible for tax purposes such as meals and entertainment and change in fair value of contingent consideration and liquidation of InvestorCo.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2015 and 2014 are summarized below. The amount of the deferred tax asset considered realizable, however, could be reduced in the near term if estimates of future taxable income during the time the items below are deducted on the tax returns or in any carryforward period are reduced.

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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**(14) Income Taxes, Continued**

	2015	2014
Deferred tax assets:		
Accounts receivable reserve	\$ 223,000	\$ 215,000
Work-in-process reserve	126,000	266,000
Accrued compensation	323,000	306,000
Deferred rent	288,000	358,000
Intangible assets	338,000	246,000
Incentive compensation payable	6,568,000	10,493,000
Net operating loss carryforwards	-	4,200,000
	<u>7,866,000</u>	<u>16,084,000</u>
Deferred tax liabilities:		
Equipment and improvements	119,000	100,000
Prepaid insurance	418,000	-
Goodwill	1,285,000	1,078,000
	<u>1,822,000</u>	<u>1,178,000</u>
	<u>\$ 6,044,000</u>	<u>\$ 14,906,000</u>

**(15) Commitments and Contingencies***Operating Leases*

PFM and PFMAM lease office space and office equipment under operating leases that expire at various dates through 2031. Annual minimum lease payments excluding common area maintenance charges required under these leases as of December 31, 2015 are:

Years Ending December 31,	Amount
2016	\$ 6,135,711
2017	\$ 5,548,702
2018	\$ 4,576,473
2019	\$ 3,598,734
2020	\$ 2,926,499
Thereafter	\$ 20,685,270

*Continued...*

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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(15) Commitments and Contingencies, Continued

*Operating Leases, Continued*

Several of the leases call for graduated payments over the term of the leases. The lease expense, recognized on a straight-line basis over the lease term and included in general and administrative expenses, was \$7,508,276 and \$7,299,569 for the years ended December 31, 2015 and 2014, respectively. The difference between actual payments and the straight-line basis expense is included in deferred rent on the accompanying consolidated balance sheets.

In connection with certain of its leases, the Borrowers maintain letters of credit in favor of the lessors in amounts ranging from \$72,000 to \$278,000. The letters of credit automatically renew on an annual basis.

*Employment Agreements*

PFM, PFMAM, PFMSA, and PFM Ventures have entered into employment agreements with certain key employees. The contracts are automatically renewed on a year-to-year basis thereafter and are cancelable by either party with 90 days' prior notice. However, contracted employees are entitled to not less than six months' severance pay if their employment is terminated. In connection with such agreements, contracted employees have agreed not to compete in any respect with the business of PFM, PFMAM, PFMSA, and PFM Ventures for the longer of either 12 months after the termination date, or the remaining term of the employment agreement. In connection with these agreements, PFM, PFMAM, PFMSA, and PFM Ventures have guaranteed aggregate bonuses of \$750,000 payable during the years ending December 31, 2016 through 2018.

*Equity Appreciation Units*

During 2015, PFM I entered into contracts with three non-employee board members (each an Independent Manager). The contracts provide that each Independent Manager is due a fixed fee of \$17,000, plus the positive difference between the equity unit value of PFM I, at the earlier of a liquidity event, or the termination of the Independent Manager's service, and the equity unit value of PFM I at the contract date, for each equity appreciation unit. During 2015, 353,000 equity appreciation units were granted with a contract date equity unit value of \$1.56. The contract date fair value of this liability was \$51,000. The equity unit value of PFM I, as determined by PFM I's board of directors, as of December 31, 2015 was \$1.72. As of December 31, 2015 the company recognized a deferred compensation liability of \$107,800, which is included in accrued expenses in the accompanying consolidated balance sheets. During the year ended December 31, 2015, PFM I recognized compensation expense of \$107,800 in relation to these contracts, which is included in salaries, incentive compensation, and employee benefits in the accompanying consolidated statements of income.

*Continued...*

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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## (15) Commitments and Contingencies, Continued

*Health Self-Insurance*

PFM maintains a self-insurance program for medical coverage. PFMAM employees are also eligible to participate in the plan. PFM, PFMAM, and PFMSA are liable for claims up to \$90,000 per covered person annually, and aggregate claims up to \$5,380,296 annually. Self-insurance costs are accrued based upon the aggregate of the liability for reported claims and an estimated liability for claims incurred but not reported. PFM maintains additional coverage for amounts in excess of self-insurance limits.

*Insurance Deductible*

PFM has a \$1,000,000 deductible on its errors and omissions insurance and PFMAM and PFMSA are named insured parties. Deductible amounts are accrued when, in the opinion of management, an incident has occurred which will require PFM, PFMAM, and PFMSA to pay under the deductible. At December 31, 2015 and 2014, there are no insurance deductibles accrued.

*Related Party Transactions*

As described in Note 1, PFM I, PFM Investment, InvestorCo, PFM, PFMAM, FiServ, PFMSA, BondResources, PFM Ventures, and PFM Solutions are affiliated through either common or direct ownership. PFM Investment, PFM, PFMAM, and FiServ are co-borrowers on a line of credit and certain long-term debt agreements (see Notes 10 and 11). Certain expenses have been allocated between various entities of the Company, and PFM charges PFMAM and PFMSA a management fee. The operating results of the individual entities of the Company may have been different had they been autonomous.

PFM I, PFM Investment, PFM, PFMAM and FiServ entered into a management agreement in 2009 with ICV Capital Partners, LLC, the general partner of ICV/PFM Co-Investor, LLC and the former stockholder of InvestorCo, which both held certain member units in PFM I. In accordance with the management agreement, ICV Capital Partners, LLC performed management and consulting services, including, but not limited to, management, finance, marketing and strategic planning, in exchange for a monitoring fee. The monitoring fee was paid quarterly in arrears and was equal to the greater of 3.5% of EBITDA, as further defined in the agreement, or \$530,000. The monitoring fee for the year ended December 31, 2014 was \$370,243. The management agreement was terminated in connection with the redemption of preferred member units described in Note 3.

*Continued...*

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

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**(15) Commitments and Contingencies, Continued***Litigation*

From time to time, the Company is involved in legal proceedings in the ordinary course of its businesses. Management believes that the resolution of these legal proceedings will not have a material adverse effect on the financial condition or results of operations of the Company.

**(16) Member Units**

As described in the Operating Agreement, PFM I has authorized Class C-1 and Class C-2 member units, each with the same voting rights. The member units are generally non-transferrable. The Operating Agreement includes preemptive rights. These preemptive rights provide the members of PFM I the opportunity to participate in certain offerings of the member units by PFM I. The Operating Agreement also includes drag-along rights. These drag-along rights require that all members of PFM I participate in any approved sale. With certain exceptions, PFM I is generally required to repurchase the member units of certain employee members who have attained a specified age. Beginning January 1, 2017, with certain exceptions, PFM I also is generally required to repurchase the member units of certain eligible retirees and the member units of certain terminated employees. The repurchase occurs over a four year period with 20% repurchased in the first year, 20% in the second year, 20% in the third year, and 40% in the fourth year. The repurchase is based on the most recently determined equity unit value at the date of each repurchase. The repurchases in the first, second, and third years are done via cash payments. The repurchases in the fourth year are done via a promissory note, not to exceed four years, and bearing interest at (i) the greater of the applicable federal rate or 8% or (ii) such other rate as the board shall determine.

Prior to the redemption of preferred member units described in Note 3, PFM I had four classes of member units, each with the same voting rights. Class A and Class B member units (the Preferred Members), with attached warrants, none of which had been exercised as of the redemption of preferred member units described in Note 3, included a preferred distribution and were convertible to Class C-1 and Class C-2 member units at the option of the Preferred Members. The Preferred Members were entitled to a preferred yield equal to 15%, compounded annually, of their net capital contributed, reduced by any prior preferred yield distributions and distributions for purposes of income taxes. Total preferred yield payable was paid in connection with the redemption of preferred member units described in Note 3 and no amounts were outstanding as of December 31, 2015 and 2014.

*Continued...*

## PFM I, LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2015 and 2014

## (16) Member Units, Continued

*Unit Grant Agreements*

The Company has the ability to enter into unit grant agreements (the Grant Agreement) at its discretion, which provide nonvested Class C-1 and Class C-2 units (together, the Grant Units) to certain employees. Under the Grant Agreement, employees are issued the Grant Units which vest ratably over a period of continuous service. Compensation cost is recognized on a straight-line basis over the requisite service or vesting period. The Grant Agreement provides for accelerated vesting in the event of a change in control, or termination of the grantee without cause. The Grant Units are nontransferable and to the extent the Grant units are not forfeited and the grantee has filed the appropriate elections under the IRC, the grantee is entitled to have all the rights and obligations of a member including the right to share in distributions and allocations of profits and losses without regard to whether the Grant Units have become vested.

A summary of the status of the Company's Grant Units as of December 31, 2015, and changes for the year then ended is presented below:

Nonvested Shares	Grant Units	Weighted Average Grant-Date Intrinsic Value
Nonvested at December 31, 2014	-	\$ -
Granted	312,695	\$ 1.5990
Vested	-	\$ -
Forfeited	-	\$ -
Nonvested at December 31, 2015	<u>312,695</u>	\$ 1.5990

As of December 31, 2015, there was \$429,000 of total unrecognized compensation cost related to nonvested grant units under the Grant Agreement. The cost is expected to be recognized over a period of 5 years. \$71,000 of compensation cost was recognized during 2015.

## (17) Subsequent Events

The Company has performed an evaluation of subsequent events through March 30, 2016, which is the date the consolidated financial statements were available to be issued.

## SUPPLEMENTARY INFORMATION





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## Independent Auditors' Report on Supplementary Information

The Board of Directors and Members  
PFM I, LLC and Subsidiaries

We have audited the consolidated financial statements of PFM I, LLC and Subsidiaries as of and for the years ended December 31, 2015 and 2014, and have issued our report thereon dated March 30, 2016, which contained an unmodified opinion on those consolidated financial statements. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole.

The supplemental consolidating information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in black ink that reads "Kreischer Miller". The signature is written in a cursive, flowing style.

Horsham, Pennsylvania  
March 30, 2016

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## PFM I, LLC AND SUBSIDIARIES

Supplementary Information  
Consolidating Balance Sheet  
December 31, 2015

	PFM I, LLC	ICV/PFM Investor, Inc.	PFM Investment, LLC
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-
Work-in-process, net	-	-	-
Prepaid expenses and other current assets	13,883	-	287,463
Total current assets	13,883	-	287,463
Equipment and improvements, net	-	-	-
Intangible assets, net	-	-	-
Other assets	-	-	724,033
Note receivable	-	-	-
Deferred income taxes	-	-	-
Investment in wholly-owned subsidiaries	71,662,084	-	98,951,499
Advances to PFM I, LLC	-	-	-
Advances to Public Financial Management, Inc.	-	-	56,664,626
Advances to PFM Asset Management LLC	-	-	-
Goodwill	84,034,149	-	-
Total assets	\$ 155,710,116	\$ -	\$ 156,627,621
<b>LIABILITIES AND STOCKHOLDER'S AND MEMBERS' EQUITY</b>			
Current liabilities:			
Line of credit	\$ -	\$ -	\$ 5,000,000
Current portion of long-term debt	-	-	3,937,500
Accounts payable	-	-	-
Current portion of accrued expenses	5,415,202	-	28,037
Deferred revenue	-	-	-
Total current liabilities	5,415,202	-	8,965,537
Long-term debt, net of current portion	-	-	76,000,000
Accrued expenses, net of current portion	107,480	-	-
Advances from PFM Investment, LLC	-	-	-
Advances from Public Financial Management, Inc.	113,282,272	-	-
Advances from PFM Asset Management LLC	-	-	-
Advances from PFM Financial Services LLC	-	-	-
Advances from PFM Swap Advisors LLC	-	-	-
Deferred rent	-	-	-
Total liabilities	118,804,954	-	84,965,537
Stockholder's and members' equity:			
Common stock, \$.01 par value; 2,000,000 shares authorized, 1,470,274 shares issued and outstanding	-	-	-
Additional paid-in capital	-	-	-
Retained earnings	-	-	-
Members' equity:			
Members' equity	37,497,659	-	71,662,084
Contributions receivable	(592,497)	-	-
Total members' equity	36,905,162	-	71,662,084
Total stockholder's and members' equity	36,905,162	-	71,662,084
Total liabilities and stockholder's and members' equity	\$ 155,710,116	-	\$ 156,627,621

Public Financial Management, Inc.	PFM Asset Management LLC and Subsidiaries	PFM Financial Services LLC	PFM Swap Advisors LLC	PFM Ventures, LLC and Subsidiary	Eliminations	Consolidated
\$ 755,049	\$ 1,369,846	\$ 11,626	\$ 193,932	\$ -	\$ -	\$ 2,330,453
8,098,255	8,696,677	-	480,376	-	-	17,275,308
7,060,398	5,162,746	-	101,584	-	-	12,324,728
7,085,148	707,982	-	-	-	-	8,094,476
22,998,850	15,937,251	11,626	775,892	-	-	40,024,965
4,267,579	1,933,775	-	-	200,000	-	6,401,354
3,455,396	-	-	-	-	-	3,455,396
328,038	107,367	-	-	-	-	1,159,438
338,234	-	-	-	-	-	338,234
6,044,000	-	-	-	-	-	6,044,000
-	-	-	-	-	(170,613,583)	-
113,282,272	-	-	-	-	(113,282,272)	-
-	14,699,519	-	236,494	-	(71,600,639)	-
-	-	6,823	-	-	(6,823)	-
12,510,685	10,898,674	-	-	5,692,540	-	113,136,048
\$ 163,225,054	\$ 43,576,586	\$ 18,449	\$ 1,012,386	\$ 5,892,540	\$ (355,503,317)	\$ 170,559,435
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
-	-	-	-	-	-	3,937,500
742,865	423,251	-	3,666	-	-	1,169,782
31,194,643	2,813,115	-	243,930	-	-	39,694,927
-	-	-	-	305,299	-	305,299
31,937,508	3,236,366	-	247,596	305,299	-	50,107,508
-	-	-	-	-	-	76,000,000
923,221	-	-	-	5,611,376	-	6,642,077
56,664,626	-	-	-	-	(56,664,626)	-
-	-	-	-	-	(113,282,272)	-
14,699,519	-	-	-	-	(14,699,519)	-
-	6,823	-	-	-	(6,823)	-
236,494	-	-	-	-	(236,494)	-
837,582	67,106	-	-	-	-	904,688
105,298,950	3,310,295	-	247,596	5,916,675	(184,889,734)	133,654,273
14,703	-	-	-	-	(14,703)	-
3,017,054	-	-	-	-	(3,017,054)	-
54,894,347	-	-	-	-	(54,894,347)	-
-	40,266,291	18,449	764,790	(24,135)	(112,687,479)	37,497,659
-	-	-	-	-	-	(592,497)
-	40,266,291	18,449	764,790	(24,135)	(112,687,479)	36,905,162
57,926,104	40,266,291	18,449	764,790	(24,135)	(170,613,583)	36,905,162
\$ 163,225,054	\$ 43,576,586	\$ 18,449	\$ 1,012,386	\$ 5,892,540	\$ (355,503,317)	\$ 170,559,435

## PFM I, LLC AND SUBSIDIARIES

Supplementary Information  
Consolidating Statement of Income  
Year Ended December 31, 2015

	PFM I, LLC	ICV/PFM Investor, Inc.	PFM Investment, LLC	Public Financial Management, Inc.
Revenues:				
Professional fees	\$ -	\$ -	\$ -	\$ 77,980,858
Management fee	-	-	-	4,850,000
Other income	-	-	-	153,074
	-	-	-	82,983,932
Expenses:				
Salaries, incentive compensation, and employee benefits	871,000	-	-	49,023,103
General and administrative	586,344	-	143,437	19,007,131
Management fee	-	-	-	-
Interest expense	-	-	4,586,452	-
Other expense	-	-	150,477	-
	1,457,344	-	4,880,366	68,030,234
Income (loss) before provision for income taxes	(1,457,344)	-	(4,880,366)	14,953,698
Provision for income taxes	-	9,200,000	-	6,472,399
Income (loss) before equity in income of parent and wholly-owned subsidiaries	(1,457,344)	(9,200,000)	(4,880,366)	8,481,299
Equity in income of parent	(1,002,271)	1,002,271	-	-
Equity in income of wholly-owned subsidiaries	3,567,543	-	16,645,638	-
Net income (loss)	\$ 1,107,928	\$ (8,197,729)	\$ 11,765,272	\$ 8,481,299

PFM Asset Management LLC and Subsidiaries	PFM Financial Services LLC	PFM Swap Advisors LLC	PFM Ventures, LLC and Subsidiary	Eliminations	Consolidated
\$ 73,718,145	\$ 3,236,394	\$ 2,616,119	\$ -	\$ (3,236,394)	\$ 154,315,122
-	-	-	-	(4,850,000)	-
4,202	-	-	-	-	157,276
73,722,347	3,236,394	2,616,119	-	(8,086,394)	154,472,398
45,094,032	-	1,433,964	-	-	96,422,099
16,520,631	3,236,394	251,365	24,135	(3,236,394)	36,533,043
4,684,000	-	166,000	-	(4,850,000)	-
-	-	-	-	-	4,586,452
-	-	-	-	-	150,477
66,298,663	3,236,394	1,851,329	24,135	(8,086,394)	137,692,071
7,423,684	-	764,790	(24,135)	-	16,780,327
-	-	-	-	-	15,672,399
7,423,684	-	764,790	(24,135)	-	1,107,928
-	-	-	-	-	-
-	-	-	-	(20,213,181)	-
\$ 7,423,684	\$ -	\$ 764,790	\$ (24,135)	\$ (20,213,181)	\$ 1,107,928

## PFM I, LLC AND SUBSIDIARIES

Supplementary Information  
Consolidating Balance Sheet  
December 31, 2014

	PFM I, LLC	ICV/PFM Investor, Inc.	PFM Investment, LLC
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-
Work-in-process, net	-	-	-
Prepaid expenses and other current assets	74,102	261,881	287,463
Total current assets	74,102	261,881	287,463
Equipment and improvements, net	-	-	-
Intangible assets, net	-	-	-
Other assets	-	-	1,154,473
Note receivable	-	-	-
Deferred income taxes	-	4,200,000	-
Investment in wholly-owned subsidiaries	84,093,516	-	82,305,861
Investment in parent	-	19,734,823	-
Advances to PFM I, LLC	-	-	-
Advances to Public Financial Management, Inc.	-	-	59,527,687
Advances to PFM Asset Management LLC	-	-	-
Goodwill	84,034,149	-	-
Total assets	\$ 168,201,767	\$ 24,196,704	\$ 143,275,484
<b>LIABILITIES AND STOCKHOLDER'S AND MEMBERS' EQUITY</b>			
Current liabilities:			
Current portion of long-term debt	\$ -	\$ -	\$ 3,375,000
Accounts payable	-	-	-
Current portion of accrued expenses	14,058	-	66,172
Total current liabilities	14,058	-	3,441,172
Long-term debt, net of current portion	-	-	79,937,500
Accrued expenses, net of current portion	-	-	-
Advances from PFM Investment, LLC	-	-	-
Advances from Public Financial Management, Inc.	109,485,398	-	-
Advances from PFM Asset Management LLC	-	-	-
Advances from PFM Financial Services LLC	-	-	-
Deferred rent	-	-	-
Total liabilities	109,499,456	-	83,378,672
Stockholder's and members' equity:			
Common stock, \$.01 par value; 2,000,000 shares authorized, 1,470,274 shares issued and outstanding	-	-	-
Common stock, \$.01 par value; 1,000 shares authorized, issued and outstanding	-	10	-
Additional paid-in capital	-	29,600,360	-
Retained earnings	-	(5,403,666)	-
Members' equity:			
Members' equity	60,291,722	-	59,896,812
Contributions receivable	(1,589,411)	-	-
Total members' equity	58,702,311	-	59,896,812
Total stockholder's and members' equity	58,702,311	24,196,704	59,896,812
Total liabilities and stockholder's and members' equity	\$ 168,201,767	24,196,704	\$ 143,275,484

Public Financial Management, Inc.	PFM Asset Management LLC and Subsidiaries	PFM Financial Services LLC	Eliminations	Consolidated
\$ 1,356,045	\$ 570,541	\$ 11,626	\$ -	\$ 1,938,212
7,725,234	8,974,426	-	-	16,699,660
8,590,266	4,744,595	-	-	13,334,861
2,948,638	626,748	-	-	4,198,832
20,620,183	14,916,310	11,626	-	36,171,565
3,656,760	2,148,409	-	-	5,805,169
98,827	-	-	-	98,827
391,312	107,751	-	-	1,653,536
349,137	-	-	-	349,137
10,706,000	-	-	-	14,906,000
-	-	-	(166,399,377)	-
-	-	-	(19,734,823)	-
109,485,398	-	-	(109,485,398)	-
-	7,679,367	-	(67,207,054)	-
-	-	6,823	(6,823)	-
9,837,473	10,898,674	-	-	104,770,296
\$ 155,145,090	\$ 35,750,511	\$ 18,449	\$ (362,833,475)	\$ 163,754,530
\$ -	\$ -	\$ -	\$ -	\$ 3,375,000
1,116,648	578,375	-	-	1,695,023
31,316,631	2,242,192	-	-	33,639,053
32,433,279	2,820,567	-	-	38,709,076
-	-	-	-	79,937,500
4,928,175	-	-	-	4,928,175
59,527,687	-	-	(59,527,687)	-
-	-	-	(109,485,398)	-
7,679,367	-	-	(7,679,367)	-
-	6,823	-	(6,823)	-
1,131,777	80,514	-	-	1,212,291
105,700,285	2,907,904	-	(176,699,275)	124,787,042
14,703	-	-	(14,703)	-
-	-	-	(10)	-
3,017,054	-	-	(32,617,414)	-
46,413,048	-	-	(41,009,382)	-
-	32,842,607	18,449	(112,492,691)	40,556,899
-	-	-	-	(1,589,411)
-	32,842,607	18,449	(112,492,691)	38,967,488
49,444,805	32,842,607	18,449	(186,134,200)	38,967,488
\$ 155,145,090	\$ 35,750,511	\$ 18,449	\$ (362,833,475)	\$ 163,754,530

## PFM I, LLC AND SUBSIDIARIES

Supplementary Information  
Consolidating Statement of Income  
Year Ended December 31, 2014

	PFM I, LLC	ICV/PFM Investor, Inc.	PFM Investment, LLC
Revenues:			
Professional fees	\$ -	\$ -	\$ -
Management fee	-	-	-
Other income	-	-	-
	-	-	-
Expenses:			
Salaries, incentive compensation, and employee benefits	-	-	-
General and administrative	2,352,381	-	582,618
Management fee	-	-	-
Interest expense	-	-	3,400,610
Other expense	-	-	318,130
	2,352,381	-	4,301,358
Income (loss) before provision for income taxes	(2,352,381)	-	(4,301,358)
Provision for income taxes	-	-	-
Income (loss) before equity in income of parent and wholly-owned subsidiaries	(2,352,381)	-	(4,301,358)
Equity in income of parent	1,094,162	(1,094,162)	-
Equity in income of wholly-owned subsidiaries	7,811,127	-	13,206,647
Net income	\$ 6,552,908	\$ (1,094,162)	\$ 8,905,289



Public Financial Management, Inc.	PFM Asset Management LLC and Subsidiaries	PFM Financial Services LLC	Eliminations	Consolidated
\$ 67,404,993	\$ 63,927,075	\$ 2,983,526	\$ (2,983,526)	\$ 131,332,068
7,000,000	-	-	(7,000,000)	-
138,883	-	-	-	138,883
74,543,876	63,927,075	2,983,526	(9,983,526)	131,470,951
43,150,640	38,210,105	-	-	81,360,745
16,816,798	14,060,606	2,983,526	(2,983,526)	33,812,403
-	7,000,000	-	(7,000,000)	-
-	-	-	-	3,400,610
-	-	-	-	318,130
59,967,438	59,270,711	2,983,526	(9,983,526)	118,891,888
14,576,438	4,656,364	-	-	12,579,063
6,026,155	-	-	-	6,026,155
8,550,283	4,656,364	-	-	6,552,908
-	-	-	-	-
-	-	-	(21,017,774)	-
\$ 8,550,283	\$ 4,656,364	\$ -	\$ (21,017,774)	\$ 6,552,908

### III. References



Responding Company Name PFM Financial Advisors LLC

The City at its discretion may check references in order to determine the Offeror's experience and ability to provide the products and/or services described in this Solicitation. The Offeror shall furnish at least 3 complete and verifiable references. References shall consist of customers to whom the offeror has provided the same or similar services within the last 5 years. References shall indicate a record of positive past performance.

1. Company's Name Leander Independent School District  
Name and Title of Contact Lucas Janda, Chief Financial Officer  
Project Name Financial Advisor  
Present Address 204 W. South Street  
City, State, Zip Code Leander, TX 78646  
Telephone Number ( 512 ) 570-0405 Fax Number ( )  
Email Address lucas.janda@leanderisd.org
  
2. Company's Name San Antonio Water System  
Name and Title of Contact Doug Evanson  
Project Name Financial Advisor  
Present Address 2800 U.S. Highway 281 North  
City, State, Zip Code San Antonio, TX 78298  
Telephone Number ( 210 ) 233-3803 Fax Number ( )  
Email Address doug.evanson@saws.org
  
3. Company's Name City of Oklahoma City  
Name and Title of Contact Craig Freeman  
Project Name Financial Advisor  
Present Address 100 N. Walker, 4th Floor  
City, State, Zip Code Oklahoma City, OK 73102  
Telephone Number ( 405 ) 297-2910 Fax Number ( )  
Email Address craig.freeman@okc.gov

## IV. Required Forms



**The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.**

Company Name: PFM Financial Advisors LLC

Company Address: 221 West 6th Street, Suite 1900

City, State, Zip: Austin, Texas 78701

Federal Tax ID No. [REDACTED]

Printed Name of Officer or Authorized Representative: Dennis Waley

Title: Managing Director

Signature of Officer or Authorized Representative: 

Date: July 11, 2016

Email Address: waleyd@pfm.com

Phone Number: (512) 614-5323

**\* Qualifications Statement must be submitted with this Offer sheet to be considered for award**

**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS FORM**

The City of Austin has determined that no goals are appropriate for this project. Even though no goals have been established for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?

No ☒ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope.

Yes \_\_\_\_\_ If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, subconsultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though no goals have been established, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

PFM Financial Advisors LLC

Company Name

Dennis Waley

Name and Title of Authorized Representative (Print or Type)

  
Signature

July 11, 2016  
Date



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFQS SMB0301**

**Addendum No: 1**

**Date of Addendum: 06/24/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

**I. Additional Information:**

- A. The attendee roster for the Pre-Response Conference is attached.
- B. Handouts provided by the Small and Minority Business Resources Department at the Pre-Response Conference are attached.

**II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY: \_\_\_\_\_

Sandy Brandt, Senior Buyer Specialist  
Purchasing Office, (512) 974-1783

6/24/2016

Date

ACKNOWLEDGED BY:

Dennis Waley

Name



Authorized Signature

July 11, 2016

Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**



**ADDENDUM  
CITY OF AUSTIN, TEXAS**

Solicitation: RFQS SMB0301

Addendum No: 2

Date of Addendum: 07/01/2016

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Paragraph 2 of Section 0400 (Supplemental Purchase Provisions) has been revised. Solicitation documents have been updated to reflect this change. The following sentence in Paragraph 2 is deleted:

*"Per the City of Austin's Council-approved Financial Policies (General Debt Management Policies #3), the City's financial advisor must be a firm that is independent of banking and/or underwriting."*

and replaced with:

*"The City may terminate the contract due to the Contractor's conflict of interest or perceived conflict of interest. The City has the sole discretion to determine a conflict of interest or perceived conflict of interest."*

- II. Paragraph 4 has been added to Section 0400 (Supplemental Purchase Provisions). Solicitation documents have been updated to reflect this change. Paragraph 4 states:

*"Contractor shall not participate on any City of Austin debt issuances as an underwriter, even if allowed by MSRB Rule G-23."*

- III. Paragraph C.v. has been added to Section 0600 (Response Preparation Instructions and Evaluation Factors). Solicitation documents have been updated to reflect this change. Paragraph C.v states:

*"The firm's ability to provide independent financial advisory services to issuers of municipal debt. Describe the firm's processes and procedures that ensure independence and protect the issuer's best interests; describe your firm's process for identifying, mitigating, and/or resolving conflicts of interest. You may include in an appendix, copies of processes and procedures substantiating these efforts."*

- IV. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY:

  
Sandy Brandt, Senior Buyer Specialist  
Purchasing Office, 512-974-1783

7-1-16

Date

ACKNOWLEDGED BY:

Dennis Waley  
Name

  
Authorized Signature

July 11, 2016  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

Revised 12/13/2015





**ADDENDUM  
CITY OF AUSTIN, TEXAS**

**Solicitation: RFQS SMB0301**

**Addendum No: 3**

**Date of Addendum: 07/06/2016**

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Paragraph C.iv. of Section 0600 (Response Preparation Instructions and Evaluation Factors) has been revised. Solicitation documents have been updated to reflect this change. The following sentence in Paragraph C.iv. is deleted:

*"Indicate the approximate current outstanding debt of the entity."*

In addition the following sentence has been added to the end of Paragraph C.iv.:

*"This list of governmental clients may be submitted as an appendix that will not count toward the ten (10) page response limit."*

- II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: \_\_\_\_\_

Tracy Franklin, Corporate Contract Administrator  
Purchasing Office, 512-974-2034

7/6/16

\_\_\_\_\_  
Date

ACKNOWLEDGED BY:

Dennis Waley

\_\_\_\_\_  
Name

\_\_\_\_\_  
Authorized Signature

July 11, 2016

\_\_\_\_\_  
Date

**RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.**

Revised 12/13/2015

# Appendices

## **A. List of Governmental Clients**



PFM maintains a nationwide financial advisory practice servicing hundreds of different clients at any one time. Our client base has increased regularly over the years, as a result, we believe, of client satisfaction. All of PFM client service contracts are terminable at the discretion of the client on short notice. PFM does not maintain records that are indexed to identify the reason a client engagement has become inactive. The following list includes all clients for whom PFM has advised on a transaction in the last five (5) years. Clients denoted with an asterisk are those for whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
2300 Welton, LLC.	Colorado	Authority
Abington Friends School	Pennsylvania	Independent School
Abington Township	Pennsylvania	Township
Adams 12 Five Star School District*	Colorado	School District
Adams Township Municipal Water Authority*	Pennsylvania	Authority
Adventist Health System Sunbelt, Inc.	Florida	Hospital
Airport Community Schools	Michigan	School District
Alabama 21st Century Authority	Alabama	Authority
Alabama Community College System*	Alabama	Commission
Alabama Federal Aid Highway Finance Authority	Alabama	Authority
Alabama Incentives Financing Authority	Alabama	Authority
Alabama Mental Health Finance Authority	Alabama	Authority
Alabama Public School and College Authority	Alabama	Authority
Alachua County*	Florida	County
Alameda Corridor Transportation Authority	California	Authority
Alameda County Transportation Commission	California	Authority
Albany College of Pharmacy and Health Sciences	New York	College
Alden-Conger Independent School District No. 242	Minnesota	School District
Aleppo Township	Pennsylvania	Authority
Alexander Public School District No. 2	North Dakota	Authority
Alfred University*	New York	University
Algona Municipal Utilities*	Iowa	City
Algonac Community Schools*	Michigan	School District
Allegheny County	Pennsylvania	County
Allegheny County Community College	Pennsylvania	College
Allegheny Intermediate Unit #3	Pennsylvania	Authority
Allentown City School District*	Pennsylvania	School District
Allentown Neighborhood Improvement Zone Development Authority	Pennsylvania	Authority
Allentown Parking Authority	Pennsylvania	Authority
Alma Public Schools	Michigan	School District
Almont Community Schools*	Michigan	School District
Alta Municipal Utilities	Iowa	Board
Ambler Borough*	Pennsylvania	Borough
Anacortes School District No. 103*	Washington	School District
Anaheim Public Utilities	California	City
Ankeny Community School District, Iowa	Iowa	School District
Annville-Cleona School District	Pennsylvania	School District
Antioch Unified School District*	California	Authority
Antrim Township*	Pennsylvania	Township
Archdiocese of New Orleans*	Louisiana	Authority
Arizona State University	Arizona	University
Arlington County*	Virginia	County
Armada Area Schools*	Michigan	School District
Armstrong State University*	Georgia	University
Atglen Borough*	Pennsylvania	Authority
Auburn University*	Alabama	Authority
Augusta Richmond County, Georgia*	Georgia	County
Avon Grove School District	Pennsylvania	School District
Babson College	Massachusetts	College
Baldwin County Board of Education	Alabama	Authority

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Baldwin-Whitehall School District*	Pennsylvania	School District
Bangor Township School District*	Michigan	School District
Barnes County North Public School District	North Dakota	School District
Bastrop County*	Texas	County
Bastrop County Municipal Utility District No. 1	Texas	Authority
Bath Community Schools*	Michigan	Authority
Battery Park City Authority	New York	Authority
Battle Creek School District*	Michigan	Authority
Bay Area Toll Authority (BATA)	California	Authority
Bay De Noc Community College*	Michigan	Authority
Bay-Arenac ISD*	Michigan	Authority
BBVA Compass*	Alabama	Authority
Beaver Area School District	Pennsylvania	Authority
Bedford NH School District	New Hampshire	Authority
Bedminster Township	Pennsylvania	Authority
Beecher Community School District*	Michigan	Authority
Belding Area Schools*	Michigan	School District
Belknap County*	New Hampshire	County
Bellaire Public Schools*	Michigan	School District
Belle Vernon Area School District	Pennsylvania	School District
Bellefonte Area School District	Pennsylvania	School District
Bellevue School District	California	Authority
Bellwood Antis School District	Pennsylvania	School District
Beltrami County	Minnesota	County
Bendle Public Schools*	Michigan	Authority
Bensalem Township School District	Pennsylvania	School District
Benton Area School District	Pennsylvania	Authority
Berklee College of Music	Massachusetts	College
Berks Career and Technology Center	Pennsylvania	School District
Berkshire Healthcare Systems, Inc.	Massachusetts	Hospital
Berlin Brothersvalley School District	Pennsylvania	School District
Berlin Charter Township	Michigan	Township
Berrien Springs Public Schools*	Michigan	Authority
Berryessa School District	California	Authority
Bethel School District	Washington	School District
Bethel School District No. 403	Washington	School District
Bethlehem Area School District	Pennsylvania	School District
Bethlehem Area Vo-Tech School	Pennsylvania	Authority
Bethlehem Authority	Pennsylvania	Authority
Bethlehem City	Pennsylvania	City
Bethlehem Parking Authority*	Pennsylvania	Authority
Big Spring School District*	Pennsylvania	School District
Bismarck State College	North Dakota	University
Blacklick Valley School District	Pennsylvania	Authority
Blissfield Village	Michigan	Village
Bloomfield Hills Schools	Michigan	School District
Bloomington Public Schools*	Michigan	School District
Bloomsburg Area School District	Pennsylvania	School District
Blount County	Tennessee	County
Blue Mountain School District	Pennsylvania	Authority
Blueprint 2000 Intergovernmental Agency	Florida	Agency
Board of Liquidation, City Debt*	Louisiana	Board
Boggy Creek Improvement District	Florida	Authority
Borough of New Salem	Pennsylvania	Borough
Bottineau PSD	North Dakota	School District
Boyertown Area School District*	Pennsylvania	School District
Boyne City*	Michigan	Authority
Boyne Falls Public Schools	Michigan	School District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Boynton Beach, City of	Florida	City
Boys Latin School of Maryland	Maryland	Primary/Secondary School
Bradford Area School District	Pennsylvania	School District
Bradford Township	Pennsylvania	Authority
Brandeis University	Massachusetts	University
Brandon School District*	Michigan	School District
Brandywine Community Schools*	Michigan	Authority
Brazos County	Texas	Authority
Breckenridge Independent School District No. 846, Minnesota	Minnesota	School District
Brentwood Borough	Pennsylvania	Authority
Brevard County*	Florida	County
Brighton Urban Renewal Authority*	Colorado	Authority
Bristol Borough	Pennsylvania	Borough
Bristol Township School District*	Pennsylvania	Authority
Britton Deerfield Schools*	Michigan	School District
Broward County	Florida	County
Broward County, School District of	Florida	School District
Brown City Community Schools	Michigan	School District
Brown University	Rhode Island	University
Bryn Athyn Borough	Pennsylvania	Borough
Bryn Mawr College	Pennsylvania	College
Bucknell University	Pennsylvania	University
Bucks County*	Pennsylvania	County
Bucks County Community College	Pennsylvania	Authority
Bucks County Intermediate Unit #22*	Pennsylvania	School District
Buffalo Fiscal Stability Authority*	New York	Authority
Burbank Water and Power	California	Agency
Burlington Electric Department	Vermont	City
Burlington Electric Department (VT)	Vermont	City
Butler Area School District	Pennsylvania	School District
Butler County	Pennsylvania	Authority
Butler County Area Vo-Tech School*	Pennsylvania	Authority
Butler County Community College	Pennsylvania	School District
Butler Township	Pennsylvania	Township
Byron Center Public Schools*	Michigan	School District
Caernarvon Township	Pennsylvania	Authority
Caernarvon Township Municipal Sewer Authority	Pennsylvania	Authority
Caldwell College	New Jersey	College
Caledonia Community Schools*	Michigan	Authority
California Health Facilities Financing Authority	California	Authority
California Municipal Finance Authority	California	Authority
California State Water Resources Control Board*	California	State
Caln Township	Pennsylvania	Township
Cambria Heights School District	Pennsylvania	Authority
Camden County Improvement Authority	New Jersey	Authority
Cameron County*	Pennsylvania	County
Camp Hill Borough	Pennsylvania	Borough
Camp Hill School District	Pennsylvania	Authority
Campbell Union School District	California	School District
Capital Area Intermediate Unit #15	Pennsylvania	Authority
Capital Metropolitan Transportation Authority	Texas	Authority
Capital One Public Funding, LLC*	New York	Corporation
Carbon County AVTS*	Pennsylvania	School District
Care New England Health System	Rhode Island	Authority
Career Institute of Technology	Pennsylvania	Authority
CareGroup, Inc.*	Massachusetts	Hospital
Carlisle Borough	Pennsylvania	Borough
Carlton County*	Minnesota	County

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Carman-Ainsworth Community Schools*	Michigan	School District
Carrington Public School District No. 49	North Dakota	School District
Carroll Township	Pennsylvania	Township
Carroll Township Authority	Pennsylvania	Township
Cascade Water Alliance	Washington	Authority
Cassopolis Public Schools*	Michigan	School District
Catasauqua Area School District*	Pennsylvania	School District
Cavalier Public School District No. 6	North Dakota	School District
Cecil Township	Pennsylvania	Authority
Cecil Township Municipal Authority	Pennsylvania	Authority
Cedar Falls Utilities	Iowa	Authority
Cedar Springs Public Schools*	Michigan	Authority
Central Cass Public School District No. 17*	North Dakota	School District
Central Columbia School District	Pennsylvania	School District
Central Dauphin School District	Pennsylvania	School District
Central Delaware County Authority*	Pennsylvania	Authority
Central Florida Expressway Authority*	Florida	Authority
Central Fulton School District*	Pennsylvania	School District
Central Marin Sanitation Agency	California	Agency
Central Valley Public School District No. 3	North Dakota	School District
Central Washington University	Washington	University
Central York School District*	Pennsylvania	School District
Centre Township Municipal Authority	Pennsylvania	Authority
Chalfont-New Britain Township Joint Sewage Authority	Pennsylvania	Authority
Chambersburg Area School District*	Pennsylvania	School District
Chambersburg Borough	Pennsylvania	Borough
Chapman University	California	University
Charles Stewart Mott Community College*	Michigan	Authority
Charleston County Aviation Authority	South Carolina	Authority
Charleston County School District*	South Carolina	School District
Charleston Township Mun. Authority	Pennsylvania	Authority
Charleston Water System*	South Carolina	Authority
Charlotte Public Schools*	Michigan	Authority
Chatham County	Georgia	County
Chatham County Hospital Authority	Georgia	Authority
Chattanooga Housing Authority	Tennessee	Authority
Chelan PUD (Public Utility District No. 1 of Chelan County)	Washington	District
Chelsea District Library	Michigan	Other
Chelsea School District*	Michigan	School District
Cheltenham Township School District*	Pennsylvania	School District
Cheney School District No. 360	Washington	School District
Cheshire County, NH*	New Hampshire	County
Chester Water Authority	Pennsylvania	Authority
Chestnut Ridge School District	Pennsylvania	School District
Chestnuthill Township	Pennsylvania	Authority
Chicago*	Illinois	City
Chicago Park District	Illinois	District
Chicago Public Schools*	Illinois	School District
Chicago Transit Authority*	Illinois	Authority
Children's Hospital Boston	Massachusetts	Hospital
Chippewa Valley Schools*	Michigan	School District
Choice Schools Associates L.L.C.	Michigan	Authority
Citrus County School District	Florida	School District
City and County of San Francisco*	California	City
City of Afton, Iowa*	Iowa	Authority
City of Alachua*	Florida	City
City of Alameda*	California	City
City of Algona, Iowa	Iowa	City

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
City of Allentown	Pennsylvania	City
City of Alpharetta*	Georgia	City
City of Altoona	Pennsylvania	Authority
City of Altoona, Iowa*	Iowa	City
City of Ames, Iowa*	Iowa	City
City of Anacortes	Washington	City
City of Anaheim	California	City
City of Ankeny, Iowa*	Iowa	City
City of Ann Arbor*	Michigan	Authority
City of Apopka	Florida	City
City of Auburn	Alabama	City
City of Austin*	Texas	City
City of Baltimore	Maryland	City
City of Bartlett*	Tennessee	City
City of Baxter*	Minnesota	City
City of Bemidji	Minnesota	City
City of Bend	Oregon	City
City of Boca Raton	Florida	City
City of Boise	Idaho	City
City of Bondurant, Iowa*	Iowa	City
City of Boston	Massachusetts	City
City of Bothell	Washington	City
City of Boynton Beach	Florida	City
City of Bridgeport*	Connecticut	City
City of Brighton*	Colorado	N/A
City of Brooklyn, Iowa	Iowa	Authority
City of Brownsville	Minnesota	City
City of Burlington*	North Dakota	City
City of Callaway*	Florida	City
City of Camanche, Iowa	Iowa	City
City of Carlisle, Iowa*	Iowa	City
City of Carroll Iowa*	Iowa	Authority
City of Cedar Falls, Iowa*	Iowa	City
City of Cedar Rapids*	Iowa	City
City of Charlottesville*	Virginia	City
City of Chattanooga*	Tennessee	City
City of Chelsea*	Michigan	City
City of Chesapeake	Virginia	City
City of Chicago*	Illinois	City
City of Cincinnati	Ohio	City
City of Clarksville*	Tennessee	City
City of Clermont*	Florida	City
City of Clinton*	Iowa	Authority
City of Clive	Iowa	City
City of Cocoa Beach	Florida	City
City of Colonial Heights	Virginia	Authority
City of Colorado Springs*	Colorado	City
City of Coral Gables*	Florida	City
City of Coral Springs*	Florida	City
City of Council Bluffs	Iowa	City
City of Cranston Rhode Island*	Rhode Island	City
City of Crystal River	Florida	City
City of Davenport, Iowa*	Iowa	City
City of Daytona Beach*	Florida	City
City of Dearborn Heights*	Michigan	City
City of DeBary*	Florida	Authority
City of Decatur	Georgia	City
City of Delray Beach	Florida	City

\*Indicates clients whom PFM has advised since June 30, 2015.



Client Name	State	Political Subdivision
City of Des Moines, Iowa*	Iowa	City
City of Dover	Delaware	City
City of Dubuque	Iowa	City
City of Duluth*	Minnesota	City
City of East Ridge, TN	Tennessee	Authority
City of Eau Claire	Wisconsin	City
City of Eldridge, Iowa	Iowa	City
City of Elgin, Texas	Texas	City
City of Emmetsburg, Iowa	Iowa	Authority
City of Englewood*	Colorado	City
City of Estherville, Iowa	Iowa	Authority
City of Evanston*	Illinois	City
City of Everett	Washington	City
City of Fairfield*	California	City
City of Fargo*	North Dakota	City
City of Farmington*	Michigan	City
City of Farmington Hills	Michigan	Authority
City of Federal Way	Washington	City
City of Fenton*	Michigan	Authority
City of Flagler Beach	Florida	Authority
City of Fort Dodge, Iowa*	Iowa	City
City of Fort Walton Beach*	Florida	City
City of Franklin	Tennessee	City
City of Fredericksburg*	Texas	City
City of Gainesville*	Georgia	City
City of Galveston*	Texas	City
City of Germantown*	Tennessee	City
City of Glendale Water and Power*	California	City
City of Glenwood, Iowa*	Iowa	Authority
City of Grafton	North Dakota	City
City of Grand Rapids	Michigan	Authority
City of Grandville*	Michigan	Authority
City of Granger, Texas	Texas	Authority
City of Green Lake*	Wisconsin	City
City of Hallandale Beach*	Florida	City
City of Hallock	Minnesota	City
City of Hamilton, Ohio*	Ohio	City
City of Hampton*	Virginia	City
City of Harlan*	Iowa	City
City of Hialeah*	Florida	City
City of Hollister	California	Authority
City of Huntsville	Alabama	City
City of Huntsville, Alabama Electric, Natural Gas and Water Systems*	Alabama	Agency
City of Hutto	Texas	City
City of Iowa City, Iowa*	Iowa	City
City of Issaquah	Washington	City
City of Jacksonville*	Florida	City
City of Johnson City*	Tennessee	Authority
City of Johnston, Iowa*	Iowa	Authority
City of Keene	New Hampshire	Authority
City of Kenmare	North Dakota	City
City of Key West	Florida	City
City of Kirkland*	Washington	City
City of Knoxville, Iowa*	Iowa	City
City of La Habra	California	City
City of La Puente	California	Authority
City of Lafayette*	California	City
City of Lake Mills, Iowa	Iowa	City

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
City of Lake Wales	Florida	Authority
City of Lake Worth*	Florida	City
City of Lakeland, Tennessee*	Tennessee	Authority
City of Lancaster*	Wisconsin	City
City of Laurens, Iowa*	Iowa	City
City of Leesburg*	Florida	Authority
City of Lincoln	California	City
City of Linton	North Dakota	City
City of Long Beach	California	City
City of Lowell	Michigan	Authority
City of Lynnwood*	Washington	City
City of Madeira Beach*	Florida	City
City of Manassas	Virginia	City
City of Manchester	New Hampshire	City
City of Marco Island*	Florida	City
City of Marietta	Georgia	City
City of Marshfield*	Wisconsin	City
City of Marysville	Washington	City
City of Max	North Dakota	City
City of McKinney*	Texas	City
City of Melbourne*	Florida	City
City of Miami*	Florida	City
City of Miami Gardens	Florida	City
City of Midland, Michigan	Michigan	City
City of Millbrae	California	City
City of Milwaukee*	Wisconsin	City
City of Minot*	North Dakota	City
City of Mobile, Alabama*	Alabama	City
City of Modesto*	California	City
City of Monroe	Michigan	City
City of Montevallo Water Works and Sewer Board	Alabama	Board
City of Monticello*	Iowa	City
City of Murfreesboro	Tennessee	City
City of Muscatine, Iowa*	Iowa	City
City of New Haven*	Connecticut	City
City of New Orleans*	Louisiana	City
City of New Port Richey	Florida	City
City of New Ulm	Minnesota	City
City of Newberry	Florida	City
City of Newport News*	Virginia	City
City of Nisswa	Minnesota	City
City of Norfolk	Virginia	City
City of North Liberty, Iowa	Iowa	City
City of Norwalk, Iowa	Iowa	City
City of Novato	California	City
City of Novi*	Michigan	City
City of Oak Harbor*	Washington	N/A
City of Oak Park*	Michigan	City
City of Odebolt, Iowa*	Iowa	City
City of Oklahoma City*	Oklahoma	City
City of Oldsmar	Florida	City
City of Opelika, AL*	Alabama	City
City of Orlando*	Florida	City
City of Ormond Beach	Florida	City
City of Oskaloosa*	Iowa	City
City of Overland Park*	Kansas	City
City of Palatka	Florida	City
City of Palo Alto	California	City

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
City of Panama City Beach*	Florida	City
City of Panora, Iowa*	Iowa	City
City of Park River*	North Dakota	City
City of Pella*	Iowa	City
City of Perry, Iowa*	Iowa	City
City of Philadelphia*	Pennsylvania	City
City of Phoenix	Arizona	City
City of Phoenix Public Transit Department	Arizona	City
City of Pittsburg*	California	City
City of Plant City	Florida	City
City of Plantation	Florida	City
City of Pleasant Hill, Iowa	Iowa	City
City of Pocahontas, Iowa	Iowa	City
City of Pompano Beach, Florida	Florida	Other
City of Portland*	Oregon	City
City of Prairie du Chien*	Wisconsin	City
City of Rancho Cordova	California	City
City of Redmond, OR*	Oregon	City
City of Redmond, WA*	Washington	City
City of Redondo Beach	California	City
City of Reedsburg	Wisconsin	City
City of Richland*	Washington	City
City of Riverside Public Utilities	California	City
City of Riviera Beach*	Florida	City
City of Roanoke*	Virginia	City
City of Rochester, New Hampshire*	New Hampshire	City
City of Rockville*	Maryland	City
City of Roseville	California	City
City of Rugby*	North Dakota	City
City of San Diego	California	City
City of San Leandro	California	City
City of San Luis Obispo	California	City
City of Santa Rosa*	California	City
City of Satellite Beach*	Florida	City
City of Savannah*	Georgia	City
City of Shasta Lake	California	City
City of Shoreline	Washington	City
City of Sioux City	Iowa	City
City of Sioux Falls	South Dakota	City
City of Snoqualmie*	Washington	City
City of Sonoma*	California	City
City of South Lake Tahoe*	California	City
City of Southgate	Michigan	City
City of Spencer	Iowa	City
City of Springhill Tennessee*	Tennessee	City
City of St. Cloud	Florida	City
City of St. Louis*	Missouri	City
City of St. Petersburg	Florida	City
City of Staples*	Minnesota	City
City of Stuart	Florida	City
City of Sunrise	Florida	City
City of Tacoma	Washington	City
City of Tallahassee*	Florida	City
City of Tarpon Springs	Florida	City
City of Temple Terrace*	Florida	City
City of Thompson	North Dakota	City
City of Titusville*	Florida	City
City of Toledo*	Ohio	City

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
City of Tukwila*	Washington	City
City of Ukiah*	California	City
City of Vallejo	California	City
City of Vernon*	California	City
City of Walla Walla*	Washington	City
City of Washington*	Iowa	City
City of Waukee*	Iowa	City
City of Waukegan	Illinois	City
City of Waverly	Iowa	City
City of Wayzata MN	Minnesota	City
City of West Bend	Wisconsin	City
City of West Des Moines*	Iowa	City
City of West Palm Beach*	Florida	City
City of Wilmington*	Delaware	City
City of Winchester	Virginia	City
City of Windsor Heights, Iowa	Iowa	City
City of Winter Haven*	Florida	City
City of Winter Park*	Florida	City
City of Winter Springs	Florida	City
City of Wisconsin Dells	Wisconsin	City
City of Wishek	North Dakota	City
City Public Service (CPS)	Texas	Authority
City Schools of Decatur*	Georgia	School District
City Utilities of Springfield*	Missouri	City
Clare Public Schools*	Michigan	School District
Claremont School District	New Hampshire	Other
Clark County*	Nevada	County
Clark County Public Utility District	Washington	District
Clark County Regional Flood Control District	Nevada	County
Clark County Regional Transportation Commission	Nevada	County
Clark County Water Reclamation District*	Nevada	District
Clark County, WA	Washington	County
Clark Public Utilities	Washington	County
Clark University*	Massachusetts	University
Clarkston Community Schools*	Michigan	School District
Clarksville Gas & Water*	Tennessee	City
Clawson City*	Michigan	City
Clawson Public Schools*	Michigan	School District
Clay County Utility Authority	Florida	Authority
Clayton County Water Authority	Georgia	Authority
Clearfield Area School District	Pennsylvania	School District
Clearwater Christian College		College
Cleveland State University*	Ohio	University
Clinton	Missouri	City
Clinton-Graceville Independent School District #55	Minnesota	School District
Clintondale Community Schools*	Michigan	School District
Clover Park School District No. 400	Washington	School District
Coast Community College District	California	College
Cobb County*	Georgia	County
College of DuPage	Illinois	College
College of Marin	California	College
College of the Holy Cross*	Massachusetts	College
Collier County*	Florida	County
Colonial Intermediate Unit # 20	Pennsylvania	School District
Colonial School District	Pennsylvania	School District
Columbia College Chicago*	Illinois	College
Columbia County	Pennsylvania	County
Columbia-Montour AVTS	Pennsylvania	School District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Columbus Regional Airport Authority	Ohio	Authority
Commonwealth Financing Authority	Pennsylvania	Authority
Commonwealth of Massachusetts	Massachusetts	State
Commonwealth of Massachusetts Office of Administration and Finance*	Massachusetts	State
Commonwealth of Pennsylvania*	Pennsylvania	State
Community College of Allegheny County (CCAC)	Pennsylvania	College
Community College of Philadelphia*	Pennsylvania	College
Conemaugh Valley School District*	Pennsylvania	School District
Conewago Valley School District	Pennsylvania	School District
Connecticut College	Connecticut	College
Connecticut Health and Educational Facilities Authority	Connecticut	Authority
Connecticut Higher Education Supplemental Loan Authority	Connecticut	Authority
Connecticut Municipal Electric Energy Co	Connecticut	Agency
Connecticut State University System	Connecticut	University
Constantine Public Schools	Michigan	School District
Contra Costa Transportation Authority*	California	Authority
Contra Costa Water District	California	District
Cook County, Illinois	Illinois	County
Coopersville Area District Library*	Michigan	Library
Cornwall-Lebanon School District	Pennsylvania	School District
Corunna Public Schools*	Michigan	School District
Council Rock School District*	Pennsylvania	School District
County of Brown*	Wisconsin	County
County of Chester*	Pennsylvania	County
County of Eau Claire	Wisconsin	County
County of Green Lake	Wisconsin	County
County of Jackson*	Wisconsin	County
County of Marathon	Wisconsin	County
County of Milwaukee*	Wisconsin	County
County of Racine*	Wisconsin	County
County of San Luis Obispo*	California	County
CPS Energy*	Texas	Self-Insurance
Crawford AuSable Schools*	Michigan	School District
Creative Montessori Academy	Michigan	Independent School
Cumberland County	Oregon	County
Cumberland Valley School District*	Pennsylvania	School District
Curry College*	Massachusetts	College
Curwensville Area School District*	Pennsylvania	School District
Dallastown Area School District	Pennsylvania	School District
Dana-Farber Cancer Institute*	Massachusetts	Hospital
Danville Area School District	Pennsylvania	School District
Danville Borough Municipal Authority	Pennsylvania	Authority
Dauphin County Technical School	Pennsylvania	School District
Davenport Community School District	Iowa	School District
Dearborn Heights School District #7*	Michigan	School District
Decatur Public Schools*	Michigan	School District
Decorah Community School District	Iowa	School District
DeKalb County School District, GA	Georgia	School District
DeKalb County, Georgia*	Georgia	County
Delaware County Regional Water Quality Control Authority (DELCORA)*	Pennsylvania	Authority
Delaware Department of Transportation	Delaware	Other
Delaware Health Facilities Authority*	Delaware	Authority
Delaware River Port Authority	New Jersey	Authority
Delaware Transportation Authority*	Delaware	Authority
Delaware Valley School District*	Pennsylvania	School District
Derry Township School District*	Pennsylvania	School District
Des Moines Area Community College (DMACC)	Iowa	College
Des Moines Independent Community School District*	Iowa	School District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Des Moines International Airport	Iowa	Port
Des Moines Metropolitan Wastewater Reclamation Authority	Iowa	Authority
Des Moines Public Schools	Iowa	School District
Des Plaines, Illinois, School District 62	Illinois	School District
Detroit Public Schools*	Michigan	School District
Dickinson Public School District No. 1*	North Dakota	School District
Dillsburg Area Authority*	Pennsylvania	Authority
Discovery Clean Water Alliance*	Washington	Other
District of Columbia*	District Of Columbia	District
District of Columbia Water and Sewer Authority*	District Of Columbia	Authority
Divide County Public School District No. 1*	North Dakota	School District
Dormitory Authority of the State of New York	New York	Authority
Dover Township	Pennsylvania	Township
Dover Township Sewer Authority*	Pennsylvania	Authority
Dover, NH*	New Hampshire	Locality
Dowagiac Union School District*	Michigan	School District
Drayton Public School District No. 19	North Dakota	School District
Drexel University	Pennsylvania	University
Dryden Community Schools*	Michigan	School District
Dundee Community Schools	Michigan	School District
Dunseith Public School District #1	North Dakota	School District
DuPage Water Commission	Illinois	Commission
Durand Area Schools*	Michigan	School District
Duval County Public Schools*	Florida	School District
East Central Regional Wastewater Treatment Facility Operations Board	Florida	Board
East Donegal Township	Pennsylvania	Township
East Grand Forks Independent School District No. 595	Minnesota	School District
East Grand Forks School District #595	Minnesota	School District
East Grand Rapids Public Schools*	Michigan	School District
East Lampeter Sewer Authority	Pennsylvania	Authority
East Lampeter Township	Pennsylvania	Township
East Penn School District*	Pennsylvania	School District
East Pennsboro Area School District	Pennsylvania	School District
East Stroudsburg Area School District*	Pennsylvania	School District
East Valley School District No. 361	Washington	School District
Eastern Lebanon County School District	Pennsylvania	School District
Eastern Municipal Water District*	California	District
Eastern Nazarene College	Massachusetts	College
Eastern Washington University	Washington	University
Eastern York County Sewer Authority*	Pennsylvania	Authority
Easton Area School District*	Pennsylvania	School District
Eaton County*	Michigan	County
Eaton Rapids Public Schools*	Michigan	School District
Eckerd College*	Florida	College
Edmonds School District No. 15	Washington	School District
Educational Service District No. 112	Washington	School District
Edwardsburg Public Schools*	Michigan	School District
Electric Power Board of Chattanooga (EPB)*	Tennessee	Board
ElectriCities of North Carolina*	North Carolina	Agency
Elgin Independent School District	Texas	School District
Elgin ISD*	Texas	Independent School
Elizabethtown Area School District*	Pennsylvania	School District
Elk Rapids Public Schools*	Michigan	School District
Ellsworth Community Schools*	Michigan	School District
Ellwood City Area School District	Pennsylvania	School District
Embry Riddle Aeronautical University*	Florida	University
Emerson College	Massachusetts	College
Emerson Hospital*	Massachusetts	Hospital

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Client Name	State	Political Subdivision
Emmet County	Michigan	County
Endicott College	Massachusetts	College
Energy Northwest*	Washington	Other
Engadine Consolidated Schools*	Michigan	School District
Escanaba Area Public Schools*	Michigan	School District
Essexville-Hampton Public Schools	Michigan	School District
Ewart Public Schools*	Michigan	School District
Evergreen Public Schools	Washington	School District
Evergreen School District*	California	School District
Evergreen School District No. 114	Washington	School District
Evergreen State College*	Washington	College
Ewen-Trout Creek Consolidated Schools*	Michigan	School District
Exeter Township*	Pennsylvania	Township
Exeter Township School District	Pennsylvania	School District
Fairfax County	Virginia	County
Fairfax County Water Authority	Virginia	Authority
Fairfield Area School District*	Pennsylvania	School District
Fairview Township	Pennsylvania	Township
Fargo Park District*	North Dakota	Park District
Fargo Public Schools*	North Dakota	School District
Faribault County	Minnesota	County
Fergus Falls Public Schools*	Minnesota	School District
Ferris State University	Michigan	University
Findlay Township*	Pennsylvania	Township
Fitzgerald Public Schools*	Michigan	School District
Flagler County*	Florida	County
Flasher Public School District No. 39*	North Dakota	School District
Flat Rock Community Schools*	Michigan	School District
Flint Area Consolidated Housing Authority	Georgia	Authority
Florida Presbyterian Homes, Inc.*	Florida	Hospital
Floyd Healthcare Management, Inc.*	Georgia	Hospital
Foothill-Eastern Transportation Corridor Agencies	California	Agency
Fordham University	New York	University
Forest Hills Public Schools*	Michigan	School District
Forest Hills School District*	Pennsylvania	School District
Fort Yates Public School District No. 4	North Dakota	School District
Fowlerville Community Schools*	Michigan	School District
Franconia Sewer Authority	Pennsylvania	Authority
Franklin County	Pennsylvania	County
Franklin Regional School District*	Pennsylvania	School District
Franklin Township Municipal Sanitary Authority	Pennsylvania	Authority
Frazee-Vergas ISD No. 23	Minnesota	School District
Frederick-Winchester Service Authority	Virginia	Authority
Freeborn County	Minnesota	County
Freeborn County, MN	Minnesota	County
Freeport Area School District	Pennsylvania	School District
Fremont Union High School District	California	School District
Fruitport Community Schools	Michigan	School District
Fulton County*	Georgia	County
Fulton County School District	Georgia	School District
Gainesville Regional Utilities	Florida	Authority
Garden City Public Schools*	Michigan	School District
Genesee County*	Michigan	County
Genesee School District*	Michigan	School District
Genoa Township	Michigan	Township
George Mason University Foundation	Virginia	University
Gibraltar School District*	Michigan	School District
Girard Estate Board of Directors of City Trusts	Pennsylvania	Board

\*Indicates clients whom PFM has advised since June 30, 2015.



Client Name	State	Political Subdivision
Glade Township	Pennsylvania	Township
Gladstone Area Schools	Michigan	School District
Gladwin Community Schools*	Michigan	School District
Glen Rock Sewer Authority	Pennsylvania	Authority
Glenburn	North Dakota	City
Glenburn PSD	North Dakota	School District
Glencoe Light and Power Commission	Minnesota	Board
Gobles Public Schools*	Michigan	School District
Godfrey Lee Public Schools*	Michigan	School District
Golden Gate University	California	University
Gonzaga University	Washington	University
Goodrich Area Schools*	Michigan	School District
Goodwill Industries of Lane and South	Oregon	Eleemosynary/Charity
Goodwill Industries of West Michigan, Inc.	Michigan	Other
Goucher College	Maryland	College
Grafton Public School District No. 3	North Dakota	School District
Grand Forks County	North Dakota	County
Grand Forks County Water Resource District	North Dakota	District
Grand Forks Park District	North Dakota	District
Grand Forks Public Schools	North Dakota	School District
Grand Ledge Public Schools*	Michigan	School District
Grand Rapids Community College*	Michigan	College
Grand Rapids Public Schools*	Michigan	School District
Grand River Dam Authority	Oklahoma	Authority
Grandview School District No. 200	Washington	School District
Grant County Public Utility District*	Washington	County
Grass Lake Community Schools	Michigan	School District
Gratiot County*	Michigan	County
Grays Harbor County	Washington	County
Greater Johnstown School District	Pennsylvania	School District
Greater Latrobe School District	Pennsylvania	School District
Green Bay Metropolitan Sewerage District	Wisconsin	District
Greencastle-Antrim School District*	Pennsylvania	School District
Greenway Improvement District	Florida	District
Greenwood School District	Pennsylvania	School District
Grenora School District	North Dakota	School District
Griggs County	North Dakota	County
Grosse Ile Township Schools*	Michigan	School District
Gull Lake Community Schools*	Michigan	School District
Gwinnett County*	Georgia	County
Halifax Area School District	Pennsylvania	School District
Hamburg Area School District*	Pennsylvania	School District
Hamilton County*	Tennessee	County
Hamilton Township Municipal Authority	Pennsylvania	Authority
Hampden Township	Pennsylvania	Township
Hampton Roads Regional Jail Authority	Virginia	Authority
Hampton Roads Sanitation District	Virginia	District
Hampton Roads Sanitation District (HRSD)	Virginia	District
Hancock Public Schools*	Michigan	School District
Hankinson PSD No. 8	North Dakota	School District
Harbor Springs Public Schools*	Michigan	School District
Harper Creek Community Schools*	Michigan	School District
Harper Woods School District	Michigan	School District
Harrisburg Area Community College	Pennsylvania	College
Hartland Consolidated Schools*	Michigan	School District
Haslett Public Schools*	Michigan	School District
Hastings Area School District*	Michigan	School District
Hatboro Borough	Pennsylvania	Borough

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Client Name	State	Political Subdivision
Hatboro-Horsham School District*	Pennsylvania	School District
Hatfield Borough*	Pennsylvania	Borough
Haverford Township	Pennsylvania	Township
Haverford Township School District	Pennsylvania	School District
Hays Consolidated Independent School District*	Texas	School District
Hazen Public School District No. 3	North Dakota	School District
Heidelberg Township	Pennsylvania	Township
Hempfield School District*	Pennsylvania	School District
Hempfield Township	Pennsylvania	Township
Hennepin County*	Minnesota	County
Henrico County*	Virginia	County
Hernando County School Board*	Florida	School District
Hesperia Community Schools*	Michigan	School District
Highlands County	Florida	County
Highline Public Schools No. 401	Washington	School District
Highridge Water Authority	Pennsylvania	Authority
Highspire Borough*	Pennsylvania	Borough
Hillsboro School District #9*	North Dakota	School District
Hillsborough County Aviation Authority*	Florida	Authority
Holdingford Independent School District*	Minnesota	School District
Holdingford Independent School District #738	Minnesota	School District
Holland City*	Michigan	City
Hollister School District	Missouri	School District
Holly Area Schools*	Michigan	School District
Hollywood Beach Community Development District	Florida	District
Holy Names University	California	University
Homer-Center School District	Pennsylvania	School District
Hopkins Public Schools*	Michigan	School District
Horsham Township	Pennsylvania	Township
Housing Authority of New Haven	Connecticut	Authority
Housing Authority of the City of Augusta	Georgia	Authority
Housing Authority of the City of Huntsville*	Alabama	Authority
Housing Authority of the City of Milwaukee	Wisconsin	Authority
Howard County	Maryland	County
Howell Public Schools*	Michigan	School District
Hubbard County	Minnesota	County
Hudsonville Public Schools*	Michigan	School District
Humboldt Community Services District	California	N/A
Huntingdon Area School District	Pennsylvania	School District
Huntingdon Borough	Pennsylvania	Borough
Huntington Beach, City of	California	City
Huntsville Solid Waste Disposal Authority	Alabama	Authority
Huron School District	Michigan	School District
Illinois Finance Authority	Illinois	Authority
Illinois State Toll Highway Authority*	Illinois	Authority
Imlay City Community Schools*	Michigan	School District
Imperial Irrigation District*	California	District
Indiana Area School District*	Pennsylvania	School District
Indiana County Technology Center	Pennsylvania	Other
Indiana Finance Authority*	Indiana	Authority
Indiana Municipal Power Agency*	Indiana	Agency
Ingham County*	Michigan	County
Ionia Public Schools*	Michigan	School District
Iowa Association of School Boards	Iowa	Board
Iowa City Community School District, Iowa*	Iowa	School District
Iowa Finance Authority	Iowa	Authority
Iowa Lakes Regional Water*	Iowa	Board
Iron Range Resources and Rehabilitation Bd	Minnesota	Board

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Isabella County	Michigan	County
Itasca County*	Minnesota	County
Itasca County, Minnesota	Minnesota	County
Ithaca College*	New York	College
Jackson College*	Michigan	College
Jackson County*	Michigan	County
Jackson Municipal Airport Authority*	Mississippi	Authority
Jackson Public Schools	Michigan	School District
Jackson Township Authority	Pennsylvania	Authority
Jackson Township Municipal Authority	Pennsylvania	Authority
Jackson Township Sewer Authority*	Pennsylvania	Authority
Jacksonville Aviation Authority	Florida	Authority
Jacksonville Port Authority	Florida	Authority
Jamestown Public School District, ND	North Dakota	School District
Jamestown, Rhode Island Town of*	Rhode Island	City
Jasper County, Iowa*	Iowa	County
JEA*	Florida	Authority
Jefferson Schools*	Michigan	School District
Jefferson-Morgan School District	Pennsylvania	School District
Jenison Public School District*	Michigan	School District
Jersey Shore Area School District*	Pennsylvania	School District
Johns Hopkins Health System*	Maryland	Hospital
Jonesville Community Schools*	Michigan	School District
Juniata County School District	Pennsylvania	School District
Kalama School District No. 402	Washington	School District
Kalamazoo Public Schools*	Michigan	School District
Kalkaska Public Schools*	Michigan	School District
Kansas Development Finance Authority*	Kansas	Authority
Kansas DOT*	Kansas	Agency
Kenmare Public School District No. 28*	North Dakota	School District
Kennett Consolidated School District*	Pennsylvania	School District
Kenowa Hills Public Schools	Michigan	School District
Kent City Community Schools	Michigan	School District
Kent County	Michigan	County
Kent County Department of Aeronautics	Michigan	County
Kent School District No. 415*	Washington	School District
Kent State University*	Ohio	University
Kentucky Infrastructure Authority*	Kentucky	Authority
Kentucky Public Transportation Infrastructure Authority	Kentucky	Authority
Kentwood Public Schools*	Michigan	School District
Killdeer PSD 16	North Dakota	School District
Kindred Public School District #2	North Dakota	School District
King County Rural Library District	Washington	District
Kitsap County	Washington	County
Kulm Public School District*	North Dakota	School District
L'Anse Area Schools*	Michigan	School District
Lahey Health*	Massachusetts	Hospital
Laingsburg Community Schools*	Michigan	School District
Lake Altoona District	Wisconsin	District
Lake County BCC*	Florida	County
Lake County School District	Florida	School District
Lake Orion Community Schools*	Michigan	School District
Lakeview Public Schools (Macomb Co / St. Clair Shores)*	Michigan	School District
Lakeview School District*	Pennsylvania	School District
Lakewood Public Schools	Michigan	School District
Lansing Charter Township	Michigan	Township
Lansing City*	Michigan	City
Lansing School District*	Michigan	School District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Lapeer Community Schools*	Michigan	School District
Lapeer County Intermediate School District*	Michigan	School District
Larimore Public School District #44*	North Dakota	School District
Las Vegas Convention and Visitors Authority	Nevada	Authority
Las Vegas Valley Water District	Nevada	District
LaSalle College High School	Pennsylvania	Independent School
LaSalle Township	Michigan	Township
Laurel School District	Pennsylvania	School District
Laurens Municipal Electric Utility	Iowa	Board
Lawrence Public Schools*	Michigan	School District
Le Moyne College*	New York	College
Le Sueur Henderson ISD #2397	Minnesota	School District
Leander ISD*	Texas	School District
Lebanon County Career and Technology Center	Pennsylvania	School District
Lebanon School District	Pennsylvania	School District
Lee County Port Authority	Florida	Authority
Leechburg Area School District	Pennsylvania	School District
Leeds PSD No. 6	North Dakota	School District
Lehigh Area School District*	Pennsylvania	School District
Leon County	Florida	County
Lewis and Clark School District #161*	North Dakota	School District
Lewis County*	Washington	County
Lewisburg Area School District*	Pennsylvania	School District
Lidgerwood PSD No. 28	North Dakota	School District
Limerick Township	Pennsylvania	Township
Lincoln Consolidated School District*	Michigan	School District
Lincoln County, Minnesota	Minnesota	County
Lincoln Electric System	Nebraska	Agency
Line Mountain School District	Pennsylvania	School District
Lipscomb University*	Tennessee	College
Litchfield Independent ISD #465	Minnesota	School District
Litchfield Independent School District No. 465, MN	Minnesota	School District
Lititz Borough*	Pennsylvania	Borough
Little Compton	Rhode Island	City
Littlestown Area School District	Pennsylvania	School District
Livermore Joint Unified School District	California	School District
Livingston County*	Michigan	County
Livingston County Drain Commission*	Michigan	Commission
Livingston ESA*	Michigan	School District
Livonia Public Schools*	Michigan	School District
Londonderry School District	New Hampshire	Other
Londonderry, NH*	New Hampshire	City
Long Island Power Authority*	New York	Authority
Los Altos School District*	California	School District
Los Angeles County Metropolitan Transportation Authority (LACMTA)	California	Authority
Los Angeles World Airports*	California	Other
Louisiana Energy and Power Authority	Louisiana	Authority
Louisville Regional Airport Authority	Kentucky	Authority
Loup River Public Power District*	Nebraska	District
Lowell Area Schools*	Michigan	School District
Lowell General Hospital	Massachusetts	Hospital
Lower Dauphin School District	Pennsylvania	School District
Lower Makefield Township	Pennsylvania	Township
Lower Makefield, Township of	Pennsylvania	Township
Lower Merion School District*	Pennsylvania	School District
Lower Merion Township*	Pennsylvania	Township
Lower Moreland Township School District*	Pennsylvania	School District
Lower Perkiomen Valley Regional Sewer Authority	Pennsylvania	Authority

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Lower Salford Township	Pennsylvania	Township
Lower Salford Township Authority	Pennsylvania	Authority
Loyola Marymount University	California	University
Loyola University of New Orleans	Louisiana	University
Ludington Area School District*	Michigan	School District
Luzerne County*	Pennsylvania	County
Lynn University	Florida	University
Mabel-Canton Independent School District 238	Minnesota	School District
Macomb County	Michigan	County
Mahanoy Area School District*	Pennsylvania	School District
Maine Governmental Facilities Authority	Maine	Authority
Manatee County School District*	Florida	School District
Manchester Community Schools*	Michigan	School District
Manchester-Boston Regional Airport	New Hampshire	City
Mandan Public School District No. 1*	North Dakota	School District
Manhattan College	New York	College
Manheim Borough*	Pennsylvania	Borough
Manheim Central School District*	Pennsylvania	School District
Manheim Township School District	Pennsylvania	School District
Manistique Area Schools	Michigan	School District
Marcellus Community Schools	Michigan	School District
Marietta-Donegal Joint Authority	Pennsylvania	Authority
Marin Community College*	California	College
Marion Center Area School District	Pennsylvania	School District
Marion County*	Florida	County
Marion County Clerk of the Circuit Court	Florida	County
Marion County Public Schools*	Florida	School District
Marion County, IA	Iowa	County
Marion, City of	Iowa	City
Marist College*	New York	College
Marple Township	Pennsylvania	Township
Marquette County*	Michigan	County
Mars Area School District	Pennsylvania	School District
Marshall County	Minnesota	County
Martin County School District	Florida	School District
Martinez, City of	California	City
Maryland Department of Transportation*	Maryland	State
Maryland Health & Higher Educational Facilities Authority	Maryland	Authority
Maryland Health and Higher Educational Facilities Authority*	Maryland	Authority
Maryland Stadium Authority	Maryland	Authority
Maryland Transportation Authority	Maryland	Authority
Maryland, University of	Maryland	University
Marysville Public Schools*	Michigan	School District
MASCO	Massachusetts	Other
Massachusetts Clean Water Trust*	Massachusetts	State
Massachusetts Municipal Wholesale Electric Co.	Massachusetts	State
Massachusetts Port Authority*	Massachusetts	Authority
Massachusetts Turnpike Authority	Massachusetts	Authority
Massachusetts Water Resources Authority*	Massachusetts	Authority
Massachusetts, University of	Massachusetts	University
Max Public School District	North Dakota	School District
Mayville State University	North Dakota	University
McBain Rural Agricultural School*	Michigan	School District
McCarran International Airport	Nevada	Port
McDaniel College*	Maryland	College
McKeesport Municipal Authority	Pennsylvania	Authority
McKenzie County Public School District No. 1*	North Dakota	School District
McLeod County	Minnesota	County

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Mechanicsburg Area School District*	Pennsylvania	School District
Meeker County	Minnesota	County
Melvindale-Northern Allen Park Schools	Michigan	School District
Memphis Community Schools*	Michigan	School District
Memphis Shelby County Port Commission	Tennessee	Commission
Menoken Schools	North Dakota	School District
Mercer County*	North Dakota	County
Merrill Community Schools	Michigan	School District
Methacton School District*	Pennsylvania	School District
Metropolitan Atlanta Rapid Transit Authority (MARTA)*	Georgia	Authority
Metropolitan Government of Nashville & Davidson County	Tennessee	County
Metropolitan Nashville Airport Authority*	Tennessee	Authority
Metropolitan Pier and Exposition Authority*	Illinois	Authority
Metropolitan Sewer District of Greater Cincinnati	Ohio	Authority
Metropolitan St. Louis Sewer District*	Missouri	District
Metropolitan Transit Authority of Harris County	Texas	Authority
Metropolitan Transportation Commission	California	Commission
Metropolitan Water Reclamation District of Greater Chicago	Illinois	District
Meyersdale Area School District Project	Pennsylvania	School District
Miami Dade County Public Schools*	Florida	School District
Miami-Dade County*	Florida	County
Michigan Department of Transportation*	Michigan	State
Mid-Centre County Authority	Pennsylvania	Authority
Middle Bucks Area Vocational-Technical School Authority*	Pennsylvania	Authority
Middlesex Township Municipal Authority	Pennsylvania	Authority
Middletown Borough	Pennsylvania	Borough
Middletown Township	Pennsylvania	Township
Middletown Township Sewer Authority	Pennsylvania	Authority
Mifflin County School District*	Pennsylvania	School District
Milan Area Schools*	Michigan	School District
Milbank, City of	South Dakota	City
Mille Lacs County	Minnesota	County
Millersburg Area School District	Pennsylvania	School District
Milton Area School District	Pennsylvania	School District
Milwaukee Public Schools	Wisconsin	School District
Minneapolis Special School District #1*	Minnesota	School District
Minnesota Public Facilities Authority*	Minnesota	Authority
Minnesota State Agricultural Society	Minnesota	Agency
Minot Park District	North Dakota	Park District
Minot Public School District*	North Dakota	School District
Minot State University	North Dakota	University
Minto Public Schools	North Dakota	School District
Missouri Highways and Transportation Commission	Missouri	Commission
Mobile County*	Alabama	County
Modesto Irrigation District	California	District
Mohall*	North Dakota	City
Mohall-Lansford-Sherwood PSD #1	North Dakota	School District
Mohawk Area School District	Pennsylvania	School District
Mon Valley Career and Technology Center	Pennsylvania	School District
Mona Shores Public Schools*	Michigan	School District
Monroe County	Pennsylvania	N/A
Monroe County, Michigan	Michigan	County
Montague Area Public Schools*	Michigan	School District
Montgomery Area School District*	Pennsylvania	School District
Montgomery College Foundation	Maryland	College
Montgomery County Community College	Pennsylvania	College
Montgomery County Redevelopment Authority	Pennsylvania	Authority
Montgomery County Revenue Authority	Maryland	Authority

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Montgomery County, MD	Maryland	County
Montgomery County, Pennsylvania	Pennsylvania	County
Morrisville Borough School District	Pennsylvania	School District
Moulton Niguel Water District	California	District
Mount Holyoke College*	Massachusetts	College
Mount Ida College	Massachusetts	College
Mount Union Area School District	Pennsylvania	School District
Municipal Building Authority of Livonia*	Michigan	Authority
Municipal Electric Authority of Georgia (MEAG)*	Georgia	Authority
Municipal Electric Authority of Nebraska (MEAN)		Authority
Muscatine County, Iowa*	Iowa	County
Museum of Fine Arts, Boston	Massachusetts	Cultural Organization
Muskegon Heights Public Schools*	Michigan	School District
Naches-Selah Irrigation District	Washington	District
Narragansett Bay Commission*	Rhode Island	Commission
Nashville Electric Service	Tennessee	Agency
Nassau County*	New York	County
Nassau University Medical Center*	New York	University
Nazareth Area School District*	Pennsylvania	School District
Nedrose Public School District No. 4	North Dakota	School District
Negaunee Public Schools*	Michigan	School District
Nelson County Water Resource District*	North Dakota	District
Neshaminy School District*	Pennsylvania	School District
Neshannock Township School District	Pennsylvania	School District
Nesson Pubic School District No. 2	North Dakota	School District
Nevis Independent School District #308	Minnesota	School District
New Castle Area School District	Pennsylvania	School District
New Castle County	Delaware	County
New England Aquarium	Massachusetts	Other
New England Conservatory of Music*	Massachusetts	College
New England Institute of Technology*	Rhode Island	College
New England Public Schools	North Dakota	School District
New Haven Community Schools*	Michigan	School District
New Haven Unified School District*	California	School District
New Hope-Solebury School District*	Pennsylvania	School District
New Jersey Building Authority	New Jersey	Authority
New Jersey Environmental Infrastructure Trust*	New Jersey	Other
New Jersey Institute of Technology	New Jersey	University
New London-Spicer Independent School District #345	Minnesota	School District
New London-Spicer Public Schools	Minnesota	School District
New Mexico Department of Transportation	New Mexico	State
New Orleans Exhibition Hall Authority	Louisiana	Authority
New Salem-Almont Public School District	North Dakota	School District
New York City Health and Hospitals Corporation	New York	Hospital
New York City Transitional Finance Authority	New York	Authority
New York Metropolitan Transportation Authority*	New York	Authority
New York Power Authority*	New York	Authority
New York State Environmental Facilities Corporation	New York	Corporation
New York State Thruway Authority	New York	Authority
Newark Housing Authority	New Jersey	Authority
Newaygo County*	Michigan	County
Newaygo Public Schools*	Michigan	School District
Newport Hospital	Rhode Island	Hospital
Newport News, City of	Virginia	City
Newport School District*	Pennsylvania	School District
Newton Community School District, Iowa	Iowa	School District
Newtown Township	Pennsylvania	Township
Niles Community Schools*	Michigan	School District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Norfolk Airport Authority	Virginia	Authority
North Border Public School District No. 100*	North Dakota	School District
North Carolina State Ports Authority	North Carolina	Authority
North Codorus Township	Pennsylvania	Township
North Coventry Township	Pennsylvania	Township
North Dakota Building Authority	North Dakota	Authority
North Dakota Public Finance Authority*	North Dakota	Authority
North Dakota State College of Science	North Dakota	College
North Dickinson County Schools*	Michigan	School District
North Londonderry Township	Pennsylvania	Township
North Montco Technical Career Center	Pennsylvania	Primary/Secondary School
North Muskegon Public Schools*	Michigan	School District
North Penn School District*	Pennsylvania	School District
North Penn Water Authority	Pennsylvania	Authority
North Providence	Rhode Island	City
North Scott Community School District	Iowa	School District
North Star School District*	Pennsylvania	School District
North Sumter County Utility Dependent District*	Florida	District
Northampton Area School District*	Pennsylvania	School District
Northampton County Area Community College	Pennsylvania	College
Northeastern York County School District	Pennsylvania	School District
Northeastern York County Sewer Authority*	Pennsylvania	Authority
Northeastern York School District*	Pennsylvania	School District
Northern California Power Authority	California	Authority
Northern Cambria School District*	Pennsylvania	School District
Northern Cass Public School District No. 97	North Dakota	School District
Northern Lebanon School District	Pennsylvania	School District
Northern Potter School District*	Pennsylvania	School District
Northern Virginia Transportation Authority	Virginia	Authority
Northern York County School District	Pennsylvania	School District
Northfield Public Schools ISD 659	Minnesota	School District
Northwest Arkansas Regional Airport Authority	Arkansas	Authority
Northwestern Lehigh School District	Pennsylvania	School District
Northwestern Michigan College*	Michigan	College
Northwestern Regional Jail Authority*	Virginia	Authority
Northwood Public School District No. 129, ND	North Dakota	School District
Norway City	Michigan	City
Norwin School District*	Pennsylvania	School District
Nova Southeastern University*	Florida	University
Novi Community Schools*	Michigan	School District
NuHealth	New York	Corporation
O'Hara Township	Pennsylvania	Township
Oakes Public School District No. 41*	North Dakota	School District
Oakland University*	Michigan	University
Oakley, City of	California	City
Oakridge Public Schools	Michigan	School District
Ocean County*	New Jersey	County
Oceanside Unified School District*	California	School District
Ohio Air Quality Development Authority*	Ohio	State
Ohio Turnpike and Infrastructure Commission	Ohio	Commission
Ohio University	Ohio	University
Ohio Water Development Authority*	Ohio	Authority
Okaloosa County Airports	Florida	Port
Okemos Public Schools	Michigan	School District
Olivet Community Schools*	Michigan	School District
Ontelaunee Township	Pennsylvania	Township
Ontelaunee Township Municipal Authority	Pennsylvania	Authority
Orange County*	Florida	County

\*Indicates clients whom PFM has advised since June 30, 2015.



Client Name	State	Political Subdivision
Orange County Health Facilities Authority	Florida	Authority
Orange County Public Schools*	Florida	School District
Orchard View Schools*	Michigan	School District
Oregon State University	Oregon	University
Orlando Health, Inc.	Florida	Hospital
Orlando Utilities Commission (OUC)*	Florida	Commission
Osage Municipal Utilities	Iowa	Board
Osceola County	Florida	County
Oscoda Area Schools*	Michigan	School District
Oswayo Valley School District	Pennsylvania	School District
Otsego District Public Library*	Michigan	Library
Ottawa County*	Michigan	County
Ovid-Elsie Area Schools*	Michigan	School District
Owen J. Roberts School District	Pennsylvania	School District
Oxford Area School District	Pennsylvania	School District
Pacific Communities Health District*	Oregon	District
Pacific Northwest University of Health Sciences	Washington	University
Palisades School District	Pennsylvania	School District
Palm Beach County*	Florida	County
Palm Beach County School District*	Florida	School District
Palmerton Area School District*	Pennsylvania	School District
Palmerton Borough*	Pennsylvania	Borough
Palmyra Borough*	Pennsylvania	Borough
Palo Alto Unified School District*	California	School District
Panther Valley School District*	Pennsylvania	School District
Parchment School District*	Michigan	School District
Park River Public School District # 78*	North Dakota	School District
Parkland School District*	Pennsylvania	School District
Parkland School District.	Pennsylvania	School District
Pasco County School District*	Florida	School District
PeaceHealth	Washington	Hospital
Penbrook, Borough of	Pennsylvania	Borough
Pennfield Schools*	Michigan	School District
Pennridge School District	Pennsylvania	School District
Penns Manor Area School District	Pennsylvania	School District
Pennsbury School District*	Pennsylvania	School District
Pennsylvania Economic Development Financing Authority	Pennsylvania	Authority
Pennsylvania Industrial Development Authority	Pennsylvania	Authority
Pennsylvania State University*	Pennsylvania	University
Pennsylvania Turnpike Commission*	Pennsylvania	Commission
Pepin County, WI	Wisconsin	County
Perkiomen Valley School District*	Pennsylvania	School District
Perry Public Schools*	Michigan	School District
Peters Township Sanitary Authority*	Pennsylvania	Authority
Philadelphia Authority for Industrial Development	Pennsylvania	Authority
Philadelphia Gas Works*	Pennsylvania	Corporation
Philadelphia International Airport*	Pennsylvania	N/A
Philadelphia Redevelopment Authority	Pennsylvania	Authority
Philadelphia Water Department	Pennsylvania	City
Phillips Academy, Andover	Massachusetts	Independent School
Phoenixville Area School District*	Pennsylvania	School District
Pickford Public Schools	Michigan	School District
Pike Place Market PDA	Washington	Authority
Pinckney Community Schools*	Michigan	School District
Pittsburg Unified School District	California	School District
Pittsburg, City of	California	City
Pittsburgh School District*	Pennsylvania	School District
Pittsburgh Water and Sewer Authority	Pennsylvania	Authority

\*Indicates clients whom PFM has advised since June 30, 2015.



Client Name	State	Political Subdivision
Pittsford Area Schools*	Michigan	School District
Pittsylvania County*	Virginia	County
Platte River Power Authority*	Colorado	Authority
Pleasant Valley School District*	Pennsylvania	School District
Plymouth-Canton Community Schools*	Michigan	School District
Pocono Mountain School District	Pennsylvania	School District
Pocono Township	Pennsylvania	Township
Point Park University	Pennsylvania	University
Polk County*	Minnesota	County
Port Allegany School District	Pennsylvania	School District
Port of Anacortes	Washington	Port
Port of Friday Harbor*	Washington	Port
Port of Portland	Oregon	Port
Port of San Francisco	California	Port
Port of Skagit*	Washington	Port
Port of Tacoma*	Washington	Port
Port of Vancouver USA*	Washington	Port
Port Tampa Bay*	Florida	Authority
Portage Area School District	Pennsylvania	School District
Portland Public Schools*	Michigan	School District
Portland State University*	Oregon	College
Pottsgrove School District*	Pennsylvania	School District
Pottstown School District*	Pennsylvania	School District
Powers Lake Public School District*	North Dakota	School District
Poweshiek Water Association*	Iowa	Board
Prince William County*	Virginia	County
Public Power Generation Agency*	Nebraska	Agency
Purchase College Foundation Housing Corporation	New York	College
Puyallup School District No. 3	Washington	School District
Quakertown Borough	Pennsylvania	Borough
Quakertown Community School District*	Pennsylvania	School District
Quinnipiac University*	Connecticut	University
Radnor Township*	Pennsylvania	Township
Radnor Township School District	Pennsylvania	School District
Rapid River Public Schools	Michigan	School District
Rappahannock Regional Jail Authority*	Virginia	Authority
Ravenna Public Schools*	Michigan	School District
Redding Electric Utility*	California	Agency
Redevelopment Authority of the County of Bucks	Pennsylvania	Authority
Reeths-Puffer Schools*	Michigan	School District
Regional Transportation Authority of Northeastern Illinois*	Illinois	Authority
Renaissance Public School Academy	Michigan	School District
Reno-Tahoe Airport Authority*	Nevada	Authority
Renville County*	Minnesota	County
Rhode Island Airport Corporation*	Rhode Island	Corporation
Rhode Island Commerce Corporation	Rhode Island	N/A
Rhode Island Convention Center Authority	Rhode Island	Other
Rhode Island Health and Educational Building Corporation*	Rhode Island	Corporation
Rhode Island School of Design	Rhode Island	College
Rhodes College	Tennessee	College
Rice County	Minnesota	County
Rice County of MN	Minnesota	County
Richard Stockton College of New Jersey	New Jersey	College
Richland County*	North Dakota	County
Richland County School District One*	South Carolina	School District
Richland PSD No. 44	North Dakota	School District
Richland Township	Pennsylvania	Township
Richland-Lexington Airport District, SC*	South Carolina	District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Richmond	Rhode Island	City
Ringgold School District	Pennsylvania	School District
Ringling College of Art and Design*	Florida	College
Riverside School District	Pennsylvania	School District
Rochester Community Schools*	Michigan	School District
Rochester Hills, City of	Michigan	City
Rockdale County	Georgia	County
Rockford Housing Authority	Illinois	Authority
Rockford Public Schools*	Michigan	School District
Rockwood City*	Michigan	City
Roger Williams University	Rhode Island	University
Romulus Community Schools	Michigan	School District
Rugby Public School District No. 5	North Dakota	School District
Rush University Medical Center	Illinois	Hospital
Sacramento County*	California	County
Sacramento Municipal Utility District	California	District
Sacramento Municipal Utility District (SMUD)	California	District
Sacramento Transportation Authority	California	Authority
Saginaw City School District*	Michigan	School District
Saginaw County*	Michigan	County
Saginaw-Midland Municipal Water Supply Corporation	Michigan	Corporation
Saint Clair Area School District	Pennsylvania	School District
Saint Leo University	Florida	University
Saint Mary's College of Maryland	Maryland	College
Salemtowne Retirement Community*	North Carolina	Hospital
Saline Area Schools*	Michigan	School District
Salisbury Township School District*	Pennsylvania	School District
Salt River Project	Arizona	Authority
Salve Regina University	Rhode Island	University
San Antonio Water System*	Texas	Authority
San Diego Association of Governments	California	Association
San Diego Housing Commission	California	Commission
San Francisco Airport (SFO)*	California	Commission
San Francisco Mayor's Office of Housing	California	City
San Francisco Municipal Transportation Agency	California	Agency
San Francisco Public Utilities Commission	California	Commission
San Francisco Public Utilities Commission (SFPUC)	California	Commission
San Francisco Unified School District*	California	School District
San Francisco, City & County of	California	City
San Joaquin Council of Governments	California	Other
San Joaquin Hills Transportation Corridor Agency	California	Agency
San Jose International Airport	California	N/A
San Jose, City of	California	City
San Juan County	Colorado	County
San Lorenzo Unified School District	California	School District
San Ramon Valley Unified School District	California	School District
Sanitary Board of the Western Lake Superior Sanitary District*	Minnesota	District
Santa Clara University*	California	University
Santa Margarita Water District	California	District
Santa Rosa County District Schools	Florida	School District
Santee Cooper*	South Carolina	Agency
Saranac Community Schools*	Michigan	School District
Sarasota County	Florida	County
Sarasota County School District*	Florida	School District
Saucon Valley School District	Pennsylvania	School District
Saugatuck Public Schools*	Michigan	School District
Scandinavian Home	Rhode Island	N/A
School District of Flagler County*	Florida	School District

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Schoolcraft College*	Michigan	College
Scituate, RI*	Rhode Island	City
Scranton City*	Pennsylvania	City
Seattle Art Museum	Washington	Cultural Organization
Seminole County Public Schools*	Florida	School District
Seneca Highlands AVTS	Pennsylvania	School District
Seneca Highlands Intermediate Unit #9	Pennsylvania	School District
SFRDA Successor Agency	California	Agency
Sharpsville Area School District	Pennsylvania	School District
Sheffield Housing Authority	Alabama	Authority
Shelby County*	Tennessee	County
Shelby Public Schools	Michigan	School District
Sheldon Community School District, Iowa	Iowa	School District
Shikellamy School District	Pennsylvania	School District
Shippensburg Area School District*	Pennsylvania	School District
Shoemakersville Borough*	Pennsylvania	Borough
Shoreline School District No. 412	Washington	School District
Signature Healthcare	Massachusetts	Hospital
Silicon Valley Power	California	Other
Silver Spring Township	Pennsylvania	Township
Sioux Falls, City of	South Dakota	City
Skagit County*	Washington	County
Smith College*	Massachusetts	College
Smithfield Township	Pennsylvania	Township
Smithfield, RI	Rhode Island	City
Snohomish County Public Utility District No. 1	Washington	District
Snohomish School District No. 201	Washington	School District
Solano Community College District*	California	College
Solano County	California	County
Solebury Township*	Pennsylvania	Township
Solid Waste Authority of Palm Beach County	Florida	Authority
Somerset Township Municipal Authority*	Pennsylvania	Authority
Somerset Vo-Tech County Technology Center	Pennsylvania	County
Sonoma-Marín Area Rail Transit Agency	California	Agency
Souderton Area School District	Pennsylvania	School District
Sound Transit	Washington	Authority
South Butler County School District	Pennsylvania	School District
South Carolina Transportation Infrastructure Bank	South Carolina	Authority
South Central Iowa Solid Waste Agency	Iowa	Agency
South Dakota Conservancy District	South Dakota	District
South Fayette Township School District*	Pennsylvania	School District
South Florida Water Management District*	Florida	District
South Haven Public Schools*	Michigan	School District
South Heart Public School District No. 9*	North Dakota	School District
South Lyon Community Schools*	Michigan	School District
South Middleton School District*	Pennsylvania	School District
South Middleton Township Municipal Authority	Pennsylvania	Authority
South Placer Wastewater Authority	California	Authority
South Strabane Township	Pennsylvania	Township
South Whitehall Township	Pennsylvania	Township
South Whitehall Township Authority	Pennsylvania	Authority
Southcoast Health System	Massachusetts	Hospital
Southeast Delco School District	Pennsylvania	School District
Southeast Polk Community School District*	Iowa	Board
Southeastern Pennsylvania Transportation Authority (SEPTA)	Pennsylvania	Authority
Southern California Public Power Authority (SCPPA)*	California	Authority
Southern Fulton School District	Pennsylvania	School District
Southern Minnesota Municipal Power Agency*	Minnesota	Agency

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Client Name	State	Political Subdivision
Southern Nevada Regional Transportation	Nevada	State
Southern Nevada Water Authority*	Nevada	Authority
Southern New Hampshire University	New Hampshire	University
Southern Tioga School District*	Pennsylvania	School District
Southern York County School District*	Pennsylvania	School District
Southfield City	Michigan	City
Southgate Community Schools*	Michigan	School District
Sparta Area Schools	Michigan	School District
Spartanburg Regional Healthcare System	South Carolina	District
Spelman College	Georgia	College
Spencer Municipal Utilities	Iowa	City
Sports and Exhibition Authority of the City of Pittsburgh and Allegheny County	Pennsylvania	City
Springfield School District*	Pennsylvania	School District
Springfield Township	Pennsylvania	Township
Springfield Township School District	Pennsylvania	School District
Springfield, Township of (Bucks County)	Pennsylvania	Township
St. Bonaventure University*	New York	University
St. Charles Community Schools*	Michigan	School District
St. Clair Independent School District Number 75, MN	Minnesota	School District
St. Clair Sewer Authority	Pennsylvania	Authority
St. Elizabeth Community	Rhode Island	Other
St. George's School	Rhode Island	Independent School
St. John Public School District	North Dakota	School District
St. Johns County	Florida	County
St. Joseph County	Michigan	County
St. Lawrence University	New York	University
St. Lucie County*	Florida	County
St. Mary's College of Maryland	Maryland	College
Stafford County*	Virginia	County
Standish-Sterling Community Schools	Michigan	School District
Stanley Public School District No. 2	North Dakota	School District
Stanton Township Public Schools*	Michigan	School District
State of Alabama	Alabama	State
State of Connecticut	Connecticut	State
State of Delaware	Delaware	State
State of Hawaii	Hawaii	State
State of Illinois*	Illinois	State
State of Iowa*	Iowa	State
State of Maine*	Maine	State
State of Maryland	Maryland	State
State of Minnesota	Minnesota	State
State of Nevada	Nevada	State
State of Nevada Housing Division	Nevada	State
State of Ohio - Office of the Treasurer*	Ohio	State
State of Ohio - Ohio Public Facilities Commission*	Ohio	Commission
State of Tennessee*	Tennessee	State
State of Wisconsin*	Wisconsin	State
State of Wisconsin (SRF)	Wisconsin	State
State Public School Building Authority	Pennsylvania	Authority
State Water Resources Control Board	California	Board
Stearns County*	Minnesota	County
Steelton-Highspire School District*	Pennsylvania	School District
Stetson University	Florida	University
Stewartstown Borough	Pennsylvania	Borough
Stockbridge Community Schools*	Michigan	School District
Stonehill College	Massachusetts	College
Strafford County, NH*	New Hampshire	County
Strasburg Borough	Pennsylvania	Borough

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Strasburg Public School District No. 15*	North Dakota	School District
Sturgis Public Schools	Michigan	School District
Suburban Lancaster Sewer Authority	Pennsylvania	Authority
Summit Hill Borough	Pennsylvania	Borough
Sumter Landing Community Development District*	Florida	Village
Sunnyvale School District*	California	School District
Sunshine State Governmental Financing Commission	Florida	Commission
Superior Central School District*	Michigan	School District
Surrey PSD No. 41*	North Dakota	School District
Surry County	Virginia	County
Susquehanna Township School District	Pennsylvania	School District
Susquenita School District	Pennsylvania	School District
Sutter Health*	California	Hospital
Suttons Bay Public Schools*	Michigan	School District
Swan Valley School District*	Michigan	School District
Swift County	Minnesota	County
Sylacauga City Schools*	Alabama	School District
Tacoma Public Schools*	Washington	School District
Tamaqua Area Water Authority	Pennsylvania	Authority
Tampa Bay Regional Water Authority*	Florida	Authority
Temple University*	Pennsylvania	University
Temple University Health System, Inc.*	Pennsylvania	University
Tennessee State School Bond Authority	Tennessee	Authority
Texas Department of Transportation	Texas	State
Texas Water Development Board	Texas	Board
The Charles Stark Draper Laboratory, Inc.	Massachusetts	Other
The Citadel	South Carolina	University
The Greater Cleveland Regional Transit Authority*	Ohio	Authority
The Jackson Laboratory	Maine	Hospital
The Pennfield School*	Rhode Island	Other
The School Board of Alachua County*	Florida	Board
The School Board of Broward County*	Florida	School District
The University of Akron*	Ohio	University
The Villages Community Development District No. 10	Florida	District
The Villages Community Development District No. 11	Florida	District
The Villages Community Development District No. 3	Florida	District
The Villages Community Development District No. 5	Florida	District
The Villages Community Development District No. 6	Florida	District
The Villages Community Development District No. 7	Florida	District
The Williston Northampton School*	Massachusetts	Independent School
Thompson Public School District No. 61	North Dakota	School District
Thornapple Kellogg School*	Michigan	School District
Three Rivers Park District*	Minnesota	District
Thurston County*	Washington	County
Tiffin University	Ohio	University
Tioga Public School District No. 15	North Dakota	School District
Tiverton	Rhode Island	City
Todd County	Minnesota	County
Toledo City School District*	Ohio	School District
Topton Borough	Pennsylvania	Borough
Towamencin Municipal Authority	Pennsylvania	Authority
Towamencin Twp Infrastructure Authority	Pennsylvania	Authority
Town of Barrington	Rhode Island	City
Town of Bedford, NH	New Hampshire	City
Town of Belleair	Florida	Township
Town of Bristol*	Rhode Island	City
Town of Burrillville	Rhode Island	City
Town of Collierville*	Tennessee	Township

\*Indicates clients whom PFM has advised since June 30, 2015.

Client Name	State	Political Subdivision
Town of Coventry, RI*	Rhode Island	Township
Town of Derry, NH*	New Hampshire	Township
Town of Durham, NH*	New Hampshire	City
Town of Hampton, NH	New Hampshire	City
Town of Johnston, RI*	Rhode Island	Township
Town of Narragansett	Rhode Island	City
Town of North Kingstown*	Rhode Island	City
Town of North Smithfield, RI	Rhode Island	Township
Town of Palm Beach	Florida	Township
Town of Portsmouth*	Rhode Island	Self-Insurance
Town of Ripon	Wisconsin	Township
Town of Simsbury	Connecticut	Township
Town of South Kingstown	Rhode Island	Township
Town of Westerly	Rhode Island	Township
Town of Wethersfield, CT*	Connecticut	City
Township of Union	Pennsylvania	Township
Traill County Water Resource District	North Dakota	District
Transmission Agency of N. California*	California	Agency
Traverse City Area Public Schools*	Michigan	School District
Travis County*	Texas	County
Trenton Public Schools*	Michigan	School District
Tri-County Area Schools	Michigan	School District
Trinity University	Texas	University
Trinity Washington University	District Of Columbia	University
Trocaire College	New York	University
Truckee Meadows Water Authority*	Nevada	Authority
Tulpehocken School District	Pennsylvania	School District
Turlock Irrigation District	California	District
Ulen-Hitterdal Independent School District #914*	Minnesota	School District
Underwood Public School District No. 8*	North Dakota	School District
Union City Area School District*	Pennsylvania	School District
Union College	New York	College
Union County	Pennsylvania	County
Union Township*	Pennsylvania	Township
Unionville-Chadds Ford School District	Pennsylvania	School District
Unionville-Sebewaing Area Schools*	Michigan	School District
United School District No. 7, ND	North Dakota	School District
Unity Township Municipal Authority	Pennsylvania	Authority
University Area Joint Authority*	Pennsylvania	University
University of Alabama Huntsville	Alabama	University
University of Arkansas - Fayetteville*	Arkansas	University
University of Arkansas - Little Rock*	Arkansas	University
University of Chattanooga Foundation, Inc*	Tennessee	College
University of Cincinnati*	Ohio	University
University of Hawaii*	Hawaii	University
University of Illinois*	Illinois	University
University of Kansas*	Kansas	University
University of Maine System	Maine	University
University of Massachusetts System	Massachusetts	University
University of Minnesota*	Minnesota	University
University of New Haven	Connecticut	University
University of North Alabama	Alabama	University
University of North Dakota*	North Dakota	University
University of Oregon*	Oregon	University
University of Redlands*	California	University
University of Richmond	Virginia	University
University of Scranton*	Pennsylvania	University
University of South Florida*	Florida	University

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Client Name	State	Political Subdivision
University of Tampa	Florida	University
University of the South - Sewanee	Tennessee	University
University of Virginia	Virginia	University
University System of Maryland	Maryland	University
University System of New Hampshire*	New Hampshire	University
Upper Allen Township	Pennsylvania	Township
Upper Bucks County ATVS	Pennsylvania	School District
Upper Darby School District	Pennsylvania	School District
Upper Dauphin Area School District	Pennsylvania	School District
Upper Dublin School District*	Pennsylvania	School District
Upper Dublin Township	Pennsylvania	Township
Upper Iowa University	Iowa	University
Upper Merion Area School District	Pennsylvania	School District
Upper Moreland Township	Pennsylvania	Township
Upper Moreland Township School District*	Pennsylvania	School District
Upper Perkiomen School District	Pennsylvania	School District
Upper Providence Township	Pennsylvania	Township
Upper Saucon Township	Pennsylvania	Township
Utilities Board of the City of Cullman	Alabama	Board
Utilities Plus, Blue Earth, Minnesota		Board
UWF Foundation*	Florida	Foundation
Valley City School District	North Dakota	School District
Valley City State University	North Dakota	University
Valley Grove School District*	Pennsylvania	School District
Valley Medical Center	Washington	Hospital
Van Buren Charter Township*	Michigan	Township
Vandercook Lake Schools		School District
Venango Technology Center	Pennsylvania	School District
Vermont Educational and Health Buildings Financing Agency*	Vermont	Agency
Vestaburg Community Schools*	Michigan	School District
Village Center Community Development District	Florida	District
Village of Adell	Wisconsin	Village
Village of Ashwaubenon	Wisconsin	Village
Village of Dundee	Michigan	Village
Village of Francis Creek	Wisconsin	Village
Village of Johnson Creek*	Wisconsin	Village
Village of Kohler	Wisconsin	Village
Village of Kronenwetter*	Wisconsin	Village
Village of Oak Lawn, Illinois*	Illinois	Village
Village of Sussex*	Wisconsin	Village
Villages CD District #4	Florida	District
Virginia Commonwealth University*	Virginia	University
Virginia Port Authority*	Virginia	Authority
Virginia Public Building Authority	Virginia	Authority
Virginia Public School Authority*	Virginia	Authority
Volusia County*	Florida	County
Volusia County School Board	Florida	School District
Wadena County	Minnesota	County
Wadena-Deer Creek Public Schools #2155	Minnesota	School District
Wager and Pink Intercounty Drain	Michigan	District
Wahpeton Public School District No. 37*	North Dakota	School District
Walled Lake Consolidated School District	Michigan	School District
Wallingford-Swarthmore School District*	Pennsylvania	School District
Wallingford-Swarthmore School District	Pennsylvania	School District
Walton County	Florida	County
Walton County School District	Florida	School District
Ward County	North Dakota	County
Warminster Township	Pennsylvania	Township

\*Indicates clients whom PFM has advised since June 30, 2015.



Client Name	State	Political Subdivision
Warminster Township Municipal Authority	Pennsylvania	Authority
Warren Consolidated Schools District*	Michigan	School District
Warren County School District*	Pennsylvania	School District
Warren Woods Public Schools*	Michigan	School District
Warrior Run School District	Pennsylvania	School District
Warwick Township	Pennsylvania	Township
Washington and Lee University	Virginia	University
Washington County*	Florida	County
Washington Metropolitan Area Transit Authority*	District Of Columbia	Authority
Washington State Treasurer*	Washington	State
Washington State University*	Washington	University
Washington Tobacco Settlement Authority	Washington	Authority
Washoe County*	Nevada	County
Washougal School District No. 112	Washington	School District
Washtenaw County*	Michigan	County
Watervliet Public Schools	Michigan	School District
Waukeg Community School District*	Iowa	School District
Waverly Light and Power*	Iowa	Board
Wayland Union Schools*	Michigan	School District
Wayne County	Michigan	County
Wayne County Airport Authority*	Michigan	Authority
Waynesboro Area School District*	Pennsylvania	School District
Weare School District	New Hampshire	School District
Weatherly Area School District	Pennsylvania	School District
Webberville Community Schools*	Michigan	School District
Wesleyan University*	Connecticut	University
West Bend Municipal Utilities, West Bend, Iowa	Iowa	District
West Bloomfield Charter Township	Michigan	Township
West Bloomfield School District*	Michigan	School District
West Branch Area School District	Pennsylvania	School District
West Brandywine Township Municipal Authority	Pennsylvania	Authority
West Chester Area School District*	Pennsylvania	School District
West Des Moines Community School District*	Iowa	Primary/Secondary School
West Fargo Park District	North Dakota	Park District
West Fargo Public Schools*	North Dakota	School District
West Jefferson Hills School District*	Pennsylvania	School District
West Middlesex Area School District	Pennsylvania	School District
West Perry School District	Pennsylvania	School District
West Shore School District*	Pennsylvania	School District
West Whiteland Township	Pennsylvania	Township
Westchester County*	New York	County
Western Michigan University	Michigan	University
Western Municipal Water District*	California	District
Western School District*	Michigan	School District
Western Virginia Regional Jail Authority	Virginia	Authority
Western Washington University	Washington	University
Westhope Public School District	North Dakota	School District
Westmont-Hilltop School District	Pennsylvania	School District
Wheaton College	Massachusetts	College
White Bear Lake, City of	Minnesota	City
White Pigeon Community Schools	Michigan	School District
Whitehall-Coplay School District*	Pennsylvania	School District
Whitemarsh Township	Pennsylvania	Township
Whitmore Lake Public School District*	Michigan	School District
Whitworth University	Washington	University
Wilkes University	Pennsylvania	University
Wilkin County	Minnesota	County
William Penn Charter School	Pennsylvania	Independent School

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Client Name	State	Political Subdivision
William Penn School District*	Pennsylvania	School District
Williams College	Massachusetts	College
Williamsport Area School District	Pennsylvania	School District
Williamston Community Schools*	Michigan	School District
Williston School District #1*	North Dakota	School District
Wilmington Area School District	Pennsylvania	School District
Wilmington Parking Authority	Delaware	Authority
Windber Area School District*	Pennsylvania	School District
Windham School District, NH	New Hampshire	School District
Winston-Salem State University	North Carolina	University
Wistar Institute*	Pennsylvania	College
Woodhaven-Brownstown School District*	Michigan	School District
Woodland School District No. 404	Washington	School District
WPPI Energy*	Wisconsin	Region
Wrightsville Borough Municipal Authority	Pennsylvania	Authority
Wyandotte Public Schools*	Michigan	School District
Wyoming Valley Sanitary Authority	Pennsylvania	Authority
Yakima County	Washington	County
Yakima School District No. 7 (Yakima Public Schools)	Washington	School District
YMCA of Central Florida	Florida	Other
YMCA of Greater Hartford	Connecticut	Foundation
York City General Authority	Pennsylvania	Authority
York County Solid Waste Authority	Pennsylvania	Authority
York, City of	Pennsylvania	City
Ypsilanti City*	Michigan	City
Ypsilanti Community Schools*	Michigan	School District
Ypsilanti Community Utilities Authority*	Michigan	Authority

\*Indicates clients whom PFM has advised since June 30, 2015.

## B. Resumes



**Dennis P. Waley, Managing Director – Austin, TX***Engagement Management*221 W 6th Street, Suite 1900 | Austin, TX 78701 | 512-614-5323 | [waleyd@pfm.com](mailto:waleyd@pfm.com)

Dennis P. Waley joined PFM in July 2005 and serves as a Managing Director in the firm's Austin office. Mr. Waley has participated in over \$20 billion in financings, and his experience includes debt issuance for cities, counties, school districts, and state agencies. These financings cover numerous areas of public finance such as electric utility systems, water and wastewater utilities, airports, convention centers, and other entities using both fixed and variable rate structures. He has extensive experience working with rating agencies and insurance providers.

Prior to joining PFM, Mr. Waley served over twenty years with the City of Austin and held the position of City Treasurer for the last eight years. In addition, he served as a board member for the City of Austin Employees' Retirement System, City of Austin Fire Fighters Relief and Retirement Fund, and the City of Austin Deferred Compensation Committee. Mr. Waley was a member of the Government Treasurers' Organization of Texas (GTOT) and Government Finance Officers' Association of Texas. He served as a GTOT board member and chaired the legislative committee. In addition, he served as GTOT President in 2003. Mr. Waley received a Bachelor of Business Administration with a major in finance from the University of Texas at Austin and is a Certified Public Accountant and a registered Municipal Advisor Representative (Series 50).

**John E. Crumrine, Senior Managing Consultant – Austin, TX***Day-to-Day Senior Support*221 W 6th Street, Suite 1900 | Austin, TX 78701 | 512-614-5325 | [crumrinej@pfm.com](mailto:crumrinej@pfm.com)

John E. Crumrine is a Senior Managing Consultant in the Austin office and has been employed with PFM since 2008. Previously, he worked in the Fixed Income Capital Markets group of an investment bank. He is currently PFM's lead engagement manager for leading area "fast-growth" school districts, Leander ISD and Hays CISD, as well as others. Mr. Crumrine has worked extensively with Leander ISD since 2015 to *minimize* the district's exposure to capital appreciation bonds (CABs). He is responsible for client and project management in addition to providing analytical and technical support to each engagement. This includes: bond sizing, creating spreadsheet models, refunding analyses, and preparing documentation for debt offerings. He is also responsible for conducting competitive bond sales, negotiated bond sales and structures both tax-exempt and taxable new money and refunding bond issues.

In addition to his ISD advisory work, Mr. Crumrine has advised numerous other Texas entities including the City of Austin (ABIA, AWU, GO, and HOT), City of McKinney, Brazos County, Bastrop County, Travis County, and TxDOT. He has been involved with the structuring, sizing and pricing of fixed-income securities issues. His financing experience includes fixed and variable rate transactions, and the development of innovative financial products. He is knowledgeable in the use of credit enhancements and derivative products as well as private placements with major investment establishments. Mr. Crumrine received his undergraduate degree from Abilene Christian University and is pursuing a graduate degree from Harvard University. Mr. Crumrine is a registered Municipal Advisor Representative (Series 50).

**Blake Roberts, Senior Managing Consultant – Austin, TX***Day-to-Day Senior Support*221 W 6th Street, Suite 1900 | Austin, TX 78701 | 512-614-5324 | [robertsb@pfm.com](mailto:robertsb@pfm.com)

Blake Roberts provides transaction structuring, financial planning, and credit rating advisory services to PFM's clients in Texas. Since joining PFM in 2015, Mr. Roberts has worked directly with the City of Austin on its 2015 GO bond sales, 2016 water utility revenue bond sale / cash defeasance modeling, transportation initiative analysis, and is currently involved in a capacity analysis assessment related to the Austin convention center.

Mr. Roberts brings significant credit expertise as a result of his experience at Fitch Ratings where was an analyst for cities, counties, school districts, port authorities, and special districts in Texas and across the U.S. southwest. During his time at Fitch, Mr. Roberts worked directly on the City of Austin's account (2012-2014) as either the primary or the secondary rating analyst for the City's tax-backed bonds sales (PIBs, COs, and Mueller Local Government Corp contract revenue bonds). Mr. Roberts also had analytical coverage responsibilities for other large cities across the southwestern U.S. including Houston, San Antonio, New Orleans, and Santa Fe. In addition to his experience at PFM and Fitch, Mr. Roberts previously worked for Wells Fargo Bank's public finance division where he focused on originating and structuring private placement bond transactions for local governments in Texas, and as a fiscal policy analyst at the State of Texas' Legislative Budget Board. Prior to entering the public finance industry, Mr. Roberts was a corps member in the Teach for America program, a service program that places high-achieving college graduates as teachers in low-income urban and rural school systems. Mr. Roberts received a B.A. from Texas A&M University, a M.S. from Carnegie Mellon University, and is a registered Municipal Advisor Representative (Series 50).

**Jennifer Arndt, Senior Managing Consultant – Dallas, TX***Day-to-Day Senior Support*750 North St. Paul Street, Suite 540 | Dallas, TX 75201 | 214-557-6493 | [arndtj@pfm.com](mailto:arndtj@pfm.com)

Jennifer Arndt, Senior Managing Consultant, provides technical and analytical support. Ms. Arndt's present duties include structuring, sizing, and pricing new money and refunding municipal bond issues, assessing municipal issuer's outstanding debt, and performing credit / debt capacity analysis. Ms. Arndt has recently worked with the City of McKinney, Texas, City of Austin, Texas and Connecticut State University System. Ms. Arndt is a regular speaker at state conferences on topics ranging from rating agency trends to the implications of GASB requirements on pension and OPEB liabilities.

Ms. Arndt graduated from the University of Texas at Austin with a Bachelor of Arts in Economics. She is a registered Municipal Advisor Representative (Series 50).

**Matthew Johansen, Senior Managing Consultant – Dallas, TX***Additional Senior Support*750 North St. Paul Street, Suite 540 | Dallas, TX 75201 | 214-557-1582 | [johansenm@pfm.com](mailto:johansenm@pfm.com)

Matt Johansen joined PFM in November 2014 and is responsible for expanding PFM's presence throughout Texas and the Southwest states with a focus on providing clients with structural and credit expertise for their financing programs. Mr. Johansen has over 18 years of public finance experience and prior to joining PFM he was a senior investment banker in Citigroup's municipal securities division for 16 years where his primary responsibilities consisted of originating underwriting business as well as structuring and executing municipal financings. His experience includes serving as senior managing underwriter for issuers in a wide range of municipal sectors including states, cities, counties, toll roads, water and sewer, public power, health care, and higher education.

Mr. Johansen's background includes working with some of the largest issuers in the country, and during his career he has served as a banker on 12 senior managed financings that exceeded \$1 billion in par. As part of his engagements on large financings, Mr. Johansen has developed complex financing structures, provided banking expertise on the creation of new credits including new and first-time issuers, assisted issuers with their credit strategy, and provided public testimony to state government leaders. Mr. Johansen's banking experience includes senior managed engagements for the Texas Department of Transportation, North Texas Tollway Authority, City of Dallas, Puerto Rico Highways and Transportation Authority, San Antonio Water System, and Puerto Rico Sales Tax Financing Corporation. Before starting his career at Citigroup, Mr. Johansen was at Grant Thornton for two years providing escrow verification and arbitrage rebate services for municipal issuers. Mr. Johansen received his Bachelors of Science degree in management with a finance emphasis from the University of Minnesota. He is a registered Municipal Advisor Representative (Series 50).

**Bruce Rideaux, Senior Managing Consultant – Dallas, TX***Additional Senior Support*750 North St. Paul Street, Suite 540 | Dallas, TX 75201 | 214-247-7074 | [rideauxb@pfm.com](mailto:rideauxb@pfm.com)

Bruce Rideaux is a Senior Managing Consultant with over 13 years of experience in financial services. Mr. Rideaux serves PFM clients in Texas and throughout the Southwest region and is currently the lead financial advisor to Houston Metro. Bruce Rideaux joined PFM in November 2014 and is responsible for business development as well as day-to-day operational and quantitative functions for public finance engagements. He has been involved in more than \$15 billion of financings for a variety of major issuers including general obligation, transportation, water and sewer, economic development agencies, multi-family housing, state infrastructure banks, and commercial paper programs, among others. He has worked extensively with issuers such as the Cities of Dallas, Atlanta, Memphis, as well as the Metropolitan Government of Nashville and Davidson County for their general fund and various enterprise fund credits.

Over the past 5 years, Mr. Rideaux has worked on the successful negotiation of over \$2.75 billion in liquidity facility programs – including a recent LOC replacement for the Texas Economic Development Bank in 2015. He also has experience with derivative products including inverse floaters, swap-based structured yield curve notes, standard swaps and bond options. In addition, Mr. Rideaux focuses his efforts on various credit strategies to improve or maintain his clients' rating standings. Prior to his work in public finance, Mr. Rideaux served as a financial advisor for UBS, providing portfolio and risk management for institutional clients. A lifelong Texan, Bruce holds his BA in Mathematics from The University of Texas at Austin and his MBA in Corporate Finance and Strategy and Entrepreneurship from Southern Methodist University in Dallas. Mr. Rideaux is a registered Municipal Advisor Representative (Series 50).

**Graham Egan, Analyst – Austin, TX***Day-to-Day Analytical Support*221 W 6th Street, Suite 1900 | Austin, TX 78701 | 512-614-5329 | [egang@pfm.com](mailto:egang@pfm.com)

Graham Egan joined PFM's Austin office in 2015. Mr. Egan primarily provides technical and quantitative support for various Texas clients, including counties, cities, and school districts. His present duties consist of structuring, sizing, and pricing both new money and refunding municipal bond transactions, assessing municipal issuers' outstanding debt, and performing analyses of refunding opportunities.

Mr. Egan received both his Master of Public Policy degree and Bachelor of Arts degree in Political Science from the University of Virginia. He is licensed as a Municipal Advisor Representative (Series 50).

**Clay Chauret, Analyst – Austin, TX***Day-to-Day Analytical Support*221 W 6th Street, Suite 1900 | Austin, TX 78701 | 512-614-5326 | [chauretc@pfm.com](mailto:chauretc@pfm.com)

Clay Chauret joined PFM's Austin office in 2015. Mr. Chauret primarily provides technical and quantitative support for various Texas clients, including utilities, counties, cities, and school districts. His present duties consist of structuring, sizing, and pricing both new money and refunding municipal bond transactions, assessing municipal issuers' outstanding debt, and performing analyses of refunding opportunities.

Mr. Chauret earned his Bachelor of Business Administration degree in Finance and The Business Honors Program from The University of Texas at Austin. He is licensed as a Municipal Advisor Representative (Series 50).

**Kyle Barkett, Analyst – Austin, TX***Day-to-Day Analytical Support*221 W 6th Street, Suite 1900 | Austin, TX 78701 | 512-614-5326 | [barkettk@pfm.com](mailto:barkettk@pfm.com)

Kyle Barkett joined PFM's Austin office in 2015. Mr. Barkett primarily provides technical and quantitative support for various Texas clients, including utilities, counties, cities, and school districts. His present duties consist of structuring, sizing, and pricing both new money and refunding municipal bond transactions, assessing municipal issuers' outstanding debt, and performing analyses of refunding opportunities.

Mr. Barkett earned his Bachelor of Arts degree in Business and Economics from Wheaton College, and he earned his Master in Professional Accounting from The University of Texas. He is licensed as a Municipal Advisor Representative (Series 50).

**Todd Fraizer, CFA, Managing Director – Charlotte, NC***Pricing Support*11325 N. Community House Road, Suite 275 | Charlotte, NC 28277 | 704-319-7921 | [fraizert@pfm.com](mailto:fraizert@pfm.com)

Todd Fraizer is a Managing Director with Public Financial Management, Inc., based in Charlotte. Mr. Fraizer leads PFM's Pricing Group which provides pricing resources and negotiation support for PFM's clients nation-wide, continually enhancing, expanding and centralizing the firm's bond pricing expertise. Since 2006, Mr. Fraizer has assisted in pricing over a thousand transactions totaling over \$150 billion of municipal bonds for PFM issuer clients.

In his prior position as the Vice President of Finance for the Kansas Development Finance Authority, Mr. Fraizer served as the primary project manager for over \$2 billion of general purpose, higher education, pension obligation, transportation, and SRF transactions. Prior to that, Mr. Fraizer also gained futures and options trading experience while at the Kansas City Board of Trade. Todd has a Bachelor of Arts in English Literature from the University of Kansas and a Masters of Business Administration, Finance from the University of Missouri-Kansas City. He is a CFA charter holder, as well as a member of the CFA Institute and the Charlotte Society of Financial Analysts.

**Bill Case, Director – Largo, FL***Airport Expertise*8200 Bryan Dairy Road, Suite 325 | Largo, FL 33777 | 727-319-3051 | [caseb@pfm.com](mailto:caseb@pfm.com)

Bill Case joined PFM in 2010 and is currently staffed in the Largo, Florida office. Mr. Case works with Airport clients throughout the country, including the City of Austin, providing advisory services related to bond financings as well as financial planning for capital development programs. Mr. Case has worked on over 50 airport financings and has been the primary representative to the Rhode Island Airport Corporation, New Orleans Aviation Board, Okaloosa County, City of Oklahoma City, and Jackson Municipal Airport Authority. In addition to advising on financings, he has also created complex models to assist in the financial planning for large capital development programs for the Columbus Regional Airport Authority and the Rhode Island Airport Corporation. Mr. Case graduated from the University of South Florida with a B.S. in Finance and a Master in Business Administration.

**Ken Fullerton, Managing Director – Largo, FL***Airport Expertise*8200 Bryan Dairy Road, Suite 325 | Largo, FL 33777 | 727-319-3050 | [fullertonk@pfm.com](mailto:fullertonk@pfm.com)

Kenneth D. Fullerton, Managing Director, joined Public Financial Management, Inc. as a Managing Director in the spring of 2010, when the financial advisory firm he had co-founded, Fullerton & Friar, Inc., was acquired by PFM. Mr. Fullerton began his career at Salomon Brothers in the late 1970s and also worked at Lazard Freres & Co. from 1983 to 1990. He left Lazard as a Senior Vice President in 1990 to found Fullerton & Friar, Inc. with Robert G. Friar, Jr. Mr. Fullerton began his career as a generalist. However, his practice at both Lazard Freres and Fullerton & Friar specialized in serving as financial advisor to airport clients. He continues to have that focus at PFM.

In his career, Mr. Fullerton has served as financial advisor on over 100 financings totaling over \$15 billion for airport clients. He has served as financial advisor to over 20 airports in all parts of the country, including those in Chicago, New York, Washington, Tampa, San Jose, Oakland, Salt Lake, Reno, Columbus, Providence, Tampa, Ft. Myers, Pittsburgh, Memphis and many others. He has advised his airport clients on essentially all types of airport financings, including general airport revenue bonds ("GARBs"), PFC Bonds, CFC Bonds; first, second and third lien financings; fixed and variable rate issues; commercial paper programs and bank loans. Mr. Fullerton has also worked with numerous airports on complicated strategic issues such as developing long-term financial plans, developing funding plans for major capital programs, negotiations with third parties such as airlines and rental car companies, and developing the legal structure for entirely new financing programs. Mr. Fullerton received his Bachelors or Arts degree in History from Harvard College and his Masters in Business Administration from Harvard Business School.

**Dan Hartman, Managing Director – Arlington, VA***Public Power Expertise*4350 North Fairfax Drive, Suite 580 | Arlington, VA 22203 | 571-527-5131 | [hartmand@pfm.com](mailto:hartmand@pfm.com)

Dan Hartman is a Managing Director in PFM's Arlington office. Mr. Hartman currently co-heads the firm's national utilities group and works exclusively with utility clients across the country. Mr. Hartman has 25 years of public finance experience, both in financial advisory and investment banking capacities. Mr. Hartman has served as a financial advisor or senior managing underwriter to many of the largest water, wastewater, and public power agencies throughout the United States. These clients have included, among others, the Los Angeles Department of Water and Power, Orlando Utilities Commission, DC Water, CPS Energy (San Antonio), the Southern California Public Power Authority, and the San Antonio Water System. For these clients, Mr. Hartman has been directly involved in the issuance of over \$50 billion of utility bonds and has worked on some of the largest and most complex transactions in the municipal market.

As part of Mr. Hartman's client engagements, he has managed the development of complex financing plans for large capital programs, led educational workshops with Boards and elected officials, devised and implemented rating and investor strategies for new and existing credits, and led clients in the execution of a wide spectrum of capital market funding options. Mr. Hartman has recently led some of the most innovative financing structures in the municipal utility business. These include the 2014 issuance of "Century" bonds for DC Water, which was the first 100-year financing for US public infrastructure and the recipient of a Bond Buyer "Deal of the Year" award. Mr. Hartman also led the financial advisory team that secured a new 30-year regional water supply for the San Antonio Water system in a public private partnership with Abengoa SA, fully allocating all of the regulatory risk to the private sector. On behalf of his municipal clients, Mr. Hartman has also provided expert witness testimony to legislative and regulatory matters to various agencies. Mr. Hartman recently provided expert testimony in the Detroit bankruptcy relating to capital market and bond rating matters for the Detroit Water and Sewer Department. Mr. Hartman is also a frequent speaker on the topic of utility finance at public finance industry conferences and workshops. Mr. Hartman started his career in 1990 with PFM and also served as a managing director with Citigroup Global Markets and Bear Stearns from 2000 to 2006, prior to rejoining PFM. Mr. Hartman currently sits on the Executive Committee of PFM. Mr. Hartman received his bachelor's degree in Economics and International Relations from the University of North Carolina – Chapel Hill and a diploma from the London School of Economics.

**Dan Berger, Director – Philadelphia, PA***Quantitative Support*1735 Market Street, 43<sup>rd</sup> Floor | Philadelphia, PA 19103 | 215-557-1464 | [bergerd@pfm.com](mailto:bergerd@pfm.com)

Daniel Berger joined PFM in 2010 and is works in the Philadelphia office in PFM's Quantitative Strategies Group. Dan works primarily providing specialized technical and quantitative solutions for various clients. His present duties include managing numerous internal analytical service offerings of the Quantitative Strategies Group, and leading in new analytical product development for the firm. Product development covers various functions such as strategic forecasting, debt management, and capital planning. Dan is also heavily involved as technical lead for PFM's suite of linear optimized new money and refunding models, which have been used to size over \$25 billion in par. In addition, Dan is a member of PFM's Retirement Finance practice, which focuses on providing sustainable solutions to funding retiree benefits.



Mr. Berger graduated from The University of Pennsylvania with a B.S.E. in Computer Science and Engineering. Prior to joining PFM, Mr. Berger worked as a technology analyst at JPMorgan Chase from 2007-2010.

**Matthew Eisel, CFA, Managing Director – Harrisburg, PA**

*Escrow Structuring Expertise (PFMAM affiliate personnel)*

One Keystone Plaza, Suite 300 | Harrisburg, PA 17101 | 717-213-6271 | [eiselm@pfm.com](mailto:eiselm@pfm.com)

Matthew Eisel joined PFM's Structured Products Group in 2004 and now leads the group. Mr. Eisel advises clients on the structuring, optimization, and procurement of bond proceeds investments including portfolios of fixed-income securities and structured investments. He also specializes in the structuring and procurement of refunding and cash defeasance escrow investments. Since joining PFM, Mr. Eisel has managed approximately 1430 escrow transactions involving over \$112 billion of assets as of July 31, 2015. In addition to his work on bond proceeds and escrow engagements, Mr. Eisel conducts training sessions for clients and newly hired analysts, serves as a technical resource to colleagues throughout the firm, and leads the analysis associated with tax controversy engagements on which PFM advises.

Mr. Eisel graduated magna cum laude from the Honors College at the University of South Carolina with a Bachelor of Science degree in Business Administration. His majors were Entrepreneurial Management, Finance, and Risk Management & Insurance. His volunteer work includes providing strategic and financial advice related to the construction and budget of a local health center that serves low-income individuals and families. Mr. Eisel holds the Chartered Financial Analyst designation, is a member of the CFA Institute, and is a General Securities Registered Representative holding FINRA Series 6 and 63 registrations.

**Jeff Pearsall, Managing Director – Philadelphia, PA**

*Swap/Derivative Expertise (PFMSA affiliate personnel)*

1735 Market Street, 43<sup>rd</sup> Floor | Philadelphia, PA 19103 | 215-557-1466 | [pearsallj@pfm.com](mailto:pearsallj@pfm.com)

Jeff Pearsall is a Managing Director who heads PFM's swap advisory group, PFM Swap Advisors LLC, where he specializes in the application of derivatives to debt and energy commodities. Mr. Pearsall has extensive experience advising clients in the areas of hedging and risk management. Since joining PFM in 1999 and founding its swap advisory practice, Mr. Pearsall has overseen a team of professionals that has arranged over 1600 derivatives transactions totaling \$113 billion in notional principal amount on behalf of 500 different tax-exempt and municipal issuers across a diverse range of industry sectors. He also assisted in the development of PFM's highly successful proprietary derivatives valuation and monitoring website, SwapViewer®.

Prior to joining PFM, Mr. Pearsall worked for over eight years in New York on the Swaps trading desk of Security Pacific Bank and Bank of America. During that time, Mr. Pearsall was involved in the structuring of numerous complex interest rate, currency and debt-linked transactions. He also previously worked on the fixed-income sales desk of Mellon Financial Markets, Inc. As an institutional sales professional, Mr. Pearsall was involved in the primary and secondary markets distribution of a wide range of taxable and tax-exempt securities including U.S. treasury, agency, municipal and mortgage and asset-backed bonds.

Mr. Pearsall began his career in Philadelphia as a marine insurance underwriter for the Insurance Company of North America. Mr. Pearsall is a graduate of Phillips Andover Academy and received a B.A. in Economics from Northwestern University and an MBA in Finance from the University of Chicago's Booth School of Business.

**Alfred Mukunya, Director – Philadelphia, PA**

*SwapViewer Expertise (PFMSA affiliate personnel)*

1735 Market Street, 43<sup>rd</sup> Floor | Philadelphia, PA 19103 | 215-557-1477 | [mukunyaa@pfm.com](mailto:mukunyaa@pfm.com)

Alfred Mukunya leads PFM Swap Advisors LLC's derivatives monitoring, accounting, and valuations business. He joined PFM in 2005 and was charged with creating PFM's web based service offering for swaps monitoring. He led the creation of SwapViewer®, which oversees reporting on over \$50 Billion in notional of swap and derivatives belonging to over 100 different tax-exempt and municipal issuers including general municipal, school districts, public utilities, higher education, and healthcare. He was part of the GASB Derivatives Instrument Advisory Committee that issued the Derivatives Implementation Guide which forms the basis of a comprehensive outline on complying with GASB 53. He is also in charge of providing ASC 820 (formerly FAS 157) reporting services for healthcare, higher education, and not-for-profit clients reporting under FASB.

Prior to PFM, Mr. Mukunya was trading and marketing derivatives as a Vice President in the Public Finance Group at a regional bank. Prior to that, he was a partner and head of the Structured Finance team at Chatham Financial, the leading taxable derivatives advisor in the nation. He structured, advised, and executed hedging strategies for public and private real estate companies and investors. He created and led the analytics group that developed and implemented derivatives trading, pricing, and analytic tools. The platform provided web-enabled monitoring of derivative contracts for hundreds of corporate clients. This platform also served major financial institutions, providing client

banks with the capacity to trade, execute and monitor derivative contracts between the client bank and their customers. Mr. Mukunya started his capital markets career in New York City working for Citibank in risk management. Mr. Mukunya has a BSc from the University of Nairobi in Kenya. He also holds an MS in Applied Economics and Management from Cornell University and an MBA in Finance from the Wharton School at the University of Pennsylvania.



**EXHIBIT C  
CITY OF AUSTIN, TEXAS  
FEE SCHEDULE**

**General Financial Advisory Services**

Fees for the issuance of each long-term debt instrument will be as follows:

Minimum Fee- \$40,000 per debt issuance plus,  
\$.85 per \$1,000 for the first \$25,000,000  
\$.75 per \$1,000 for the next \$25,000,000  
\$.65 per \$1,000 for the next \$50,000,000 and  
\$.50 per \$1,000 for over \$100,000,000

A simultaneous sale of similarly-secured bonds or other debt instruments shall be billed as one issue rather than several issues. There will be no charge for analytical services related to advance refunding issues.

An annual fee will apply to commercial paper, \$0.25 per \$1,000 par amount of debt, payable on the anniversary date of the initial issuance thereof, based on the average amount outstanding for a one-year period.

The expenses pertaining to the issuance of debt will be paid by the Issuer. On a competitive sale, PFM will initially pay all related expenses and bill the Issuer for such expenses, along with the financial advisory fee after successful delivery of the debt proceeds. On a negotiated sale, fees and expenses will be deducted from debt proceeds at the time of delivery. Expenses may include, but are not limited to the following:

Bond rating fees  
Printing and distribution cost of offering documents and securities  
Verification Agent charges  
Publishing cost of any legally required notices  
Paying Agent and/or Escrow Agent charges  
Bond Counsel fees  
Security Counsel, Special Counsel or Underwriter Counsel Fees  
Airfare, lodging, meals and other travel costs  
Attorney General fees

For general consulting services, not associated with the issuance of debt, the following hourly rates will apply:

<u>Experience Level</u>	<u>Hourly Rate</u>
Managing Director	\$350.00
Director	\$325.00
Senior Managing Consultant	\$275.00
Analyst/ Senior Analyst	\$225.00
Staff/ Administration	\$75.00

## Structured Product Advisory Services

PFM Swap Advisors LLC (PFMSA) professionals will oversee all elements of any derivative transaction (swap, etc.) and the Issuer will have a separate engagement with PFMSA for these services. The fee schedule for the derivative transactions will be calculated as follows:

- A one-time fee equal to the present value of 2/3 of one basis point per annum times the notional amount outstanding over time for the procurement of a new swap, and
- A one-time fee of \$15,000 for the termination of an existing swap.

The above fees would be paid up-front at the settlement or closing of the transaction, unless the settlement/closing date is greater than 60 days after the trade date. In such case the fee would be paid no later than 60 days after the trade date.

- Value & Reporting Services

<b>Service</b>	<b>1 Swap – Annual Fee</b>	<b>Each Additional Swap – Annual Fee</b>
Monthly MTM Valuations & Monitoring	\$3,500	\$600
Annual GASB 53	\$2,000	\$1,000
Annual GASB 72	\$1,000	\$1,000

For reference the Value & Reporting fee for the three outstanding swaps is as follows:

<b>3 Swaps</b>	<b>Annual Fee</b>
Monthly MTM Valuations & Monitoring	\$4,700
Annual GASB 53	\$4,000
Annual GASB 72	\$3,000
<b>Total Annual Fee</b>	<b>\$11,700</b>

For the structuring and bidding of investment agreements, escrows, defeasance, etc. PFM Asset Management LLC will negotiate fixed fees with the Issuer based on the complexity of the agreement being procured. Fees related to such services may be paid from debt transaction proceeds.

Any other direct or contract services to be provided not herein contemplated will be negotiated on a case-by-case basis by PFM and the Issuer.

**City of Austin, Texas**  
**NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION**

**City of Austin, Texas**  
**Equal Employment/Fair Housing Office**

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

**City of Austin**  
**Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy**

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, OR THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

**Sanctions:**

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

**Term:**

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 6<sup>th</sup> day of April, 2017

CONTRACTOR  
Authorized  
Signature

PFM Financial Advisors LLC

[Signature]

Title

Managing Director



# CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

## OFFICE USE ONLY CERTIFICATION OF FILING

Certificate Number:  
2017-188812

Date Filed:  
04/06/2017

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

PFM Financial Advisors LLC  
Austin, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Austin, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

MA 7400 PA160000060  
Financial Advisor Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	PFM Financial Advisors LLC	Austin, TX United States	X	

5 Check only if there is NO Interested Party. ☐

### 6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



*[Signature]*  
Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said managing Director, this the 6th day of April, 2017, to certify which, witness my hand and seal of office.

Kassie Farley Kassie Farley Senior Associate  
Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath