

1 Supervisor Willie Johnson, Jr., Chairperson,
2 From the Committee on Finance, Personnel, and Audit, reporting on:

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4 File No. 14-863

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6 (ITEM) From the Milwaukee County Comptroller, requesting authorization to enter
7 into an agreement with Public Financial Management for the provision of financial
8 advisory services for a term of three years with two one-year extension options, by
9 recommending adoption of the following:

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11 **A RESOLUTION**

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13 WHEREAS, in August 2014, the Office of the Comptroller issued a Request for
14 Proposals (RFP) for financial advisory services; and

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16 WHEREAS, the purpose of the RFP was to solicit information from qualified
17 firms; and

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19 WHEREAS, the scope of services for financial advisory services include:

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21 • Make recommendations to the Office of the Comptroller on the
22 structuring of proposed financings including amortization, term, discount,
23 call features, etc.; discuss various alternatives and recommend the best
24 alternative(s) considering the County's current outstanding debt and
25 requested five-year capital program; make recommendations to enhance
26 bond administration, improve information disclosure, reduce issuance
27 costs, and review industry trends that may affect tax exempt debt
28 issuance.
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30 • Assist in preparation of the Official Statement, the Official Terms of
31 Offering, and other documents as required by County staff; identify and
32 perform tasks which are within the specialized competence of the financial
33 advisor; review and comment on draft copies of the preliminary and final
34 Official Statements; and make preparations for the printing and distribution
35 of the Official Statement.
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37 • Work with the County's legal counsel and capital finance team in
38 recommending size, structure, specific terms, and conditions of a debt
39 issue; assist County officials in evaluating alternative financing proposals,
40 as requested.
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42 • Review and compile continuing disclosure information and
43 documentation and submit the information to the appropriate entity
44 including to the Electronic Municipal Market Access web site; provide a
45 copy of the submitted information to the County's capital finance staff.
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- Review County policies relating to bond issuance and continuing disclosure.
- Advise County with respect to “undertaking” regarding primary and secondary market disclosure.
- Assist County staff in rating agency presentations or investor meetings related to a particular financing; recommend debt management strategies that will assure retention of favorable credit ratings and improvement in ratings when possible; travel to rating agency locations and assist in the County’s presentation to the credit rating agencies, if necessary.
- Act as an agent of the County to accept telephone, electronic, and written bids for competitive financings.
- Supervise the printing of the bonds or notes and coordinate the bidding for a registrar/fiscal agent or make arrangements for book entry securities.
- Assist County staff on negotiations with bond insurers and/or letter of credit providers.
- Assess bond market conditions at time of sale of bonds; provide information on other major national, state, and local debt issuances that may coincide or compete with County sales; provide input on the calendar of County bond sales.
- Provide input on how to market the bonds to retail and institutional investors.
- Participate in bond document review sessions; evaluate, verify, and recommend the best bid based on true interest costs for the bids submitted to the special bid opening committee on the bond sale date and be available to answer any questions raised by the Finance, Personnel, and Audit Committee, County Board, or County officials concerning the sale.
- Analyze any proposals for new products as they pertain to a particular financing.
- Prepare a comparative post-sale analysis from the County’s perspective of similar financing transactions and maintain separate accounting and billing for each financing transaction.
- Participate in due diligence meetings.

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- Provide an annual report to the County regarding debt management status and options for improvements, potential refundings, and future offerings.

- Notify the County of any litigation, threatened litigation, customer complaints, regulatory investigations, or regulatory actions that relate or are alleged to relate to the types of services contemplated in this RFP.

- Perform other services as may be requested by the County.

; and

WHEREAS, the RFP was issued in August 2014 and notice of it was published in the Bond Buyer and the Daily Reporter; and

WHEREAS, the Office of the Comptroller received three responses that were reviewed by a RFP review panel; and

WHEREAS, the recommendation of the firm to perform financial advisory services for Milwaukee County was determined by the RFP review panel after reviewing all proposals; and

WHEREAS, the consensus recommendation of the panel was that Public Financial Management (PFM) provide financial advisory services for Milwaukee County; and

WHEREAS, PFM will subcontract with Independent Financial Advisors (IPA); and

WHEREAS, IPA is certified as a Disadvantaged Business Enterprise (DBE) with Milwaukee County; and

WHEREAS, the DBE goal for the contract is 17%; and

WHEREAS, the agreement will be based on an hourly rate for financial advisory services for the three-year term; and

WHEREAS, the submitted proposal from PFM provides that the hourly rate for the director will be \$200 and the hourly rate for the senior managing consultant will be \$175; and

WHEREAS, a majority of the costs will be financed by bond proceeds; and

WHEREAS, services that are provided that are unrelated to a particular issuance will be financed by tax levy that is included annually in the Debt Service budget or funding included in the Airport operating budget; now, therefore,

138 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby approves
139 the contract between Milwaukee County and Public Financial Management for financial
140 advisory services.

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144 12/15/14

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