



CITY OF CALLAWAY, FLORIDA

CITY HALL

6601 East Highway 22, Callaway, FL 32404

Phone 850-871-6000 • FAX 850-871-2444

www.cityofcallaway.com

Mayor

Thomas W. Abbott

Commissioners

Melba Covey

Pamn Henderson

Bob Pelletier

Ralph L. Hollister

SPECIAL MEETING

CITY OF CALLAWAY BOARD OF COMMISSIONERS

WEDNESDAY, SEPTEMBER 16, 2015 – 6:00 P.M.

CALLAWAY ARTS & CONFERENCE CENTER

500 CALLAWAY PARK WAY

CALLAWAY, FL 32404

AGENDA

CALL TO ORDER

INVOCATION & PLEDGE OF ALLEGIANCE

ROLL CALL

- Item #1** Presentation on Capital Improvement Revenue Bond Refinance and Proposal from Public Financial Management, Inc.

ADJOURNMENT

A handwritten signature in black ink, appearing to read "Janice L. Peters".

Janice L. Peters, MMC
City Clerk

Providing public input is important. It can be accomplished by calling, emailing, making an appointment with your Commissioner, or speaking at a public meeting. Public Participation will be at the beginning of the meeting and is limited to three (3) minutes.

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at the meeting, if an appeal is available, such person will need a record of the proceeding and such person may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. Any person requiring a special accommodation at this meeting because of a disability or physical impairment should contact Callaway's City Clerk, at 6601 E. Highway 22, Callaway, FL 32404; or by phone at (850) 871-6000 at least five calendar days prior to the meeting.

If you are hearing or speech impaired, and you possess TDD equipment, you may contact the City Clerk using the Florida Dual Party Relay System, which can be reached at 1-800-955-8770 (Voice) or 1-800-955-7661 (TDD).

Fire Department
P: 850-871-2753
F: 850-871-5564

Leisure Services
P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement
P: 850-871-4672
F: 850-871-2404

Public Works
P: 850-871-1033
F: 850-871-2416

Arts & Conference Center
P: 850-874-0035
F: 850-874-0706

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**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 16, 2015

ITEM: PUBLIC FINANCIAL MANAGEMENT, INC. – ENGAGEMENT LETTER

1. PLACED ON AGENDA BY:

J. Michael Fuller, City Manager

2. AGENDA:

PRESENTATION	<input type="checkbox"/>
PUBLIC HEARING	<input type="checkbox"/>
CONSENT	<input type="checkbox"/>
OLD BUSINESS	<input type="checkbox"/>
REGULAR	<input checked="" type="checkbox"/>

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

The special meeting is for review and consideration of the Engagement Letter with Public Financial Management, Inc. (PFM) for assistance in developing a plan of finance for the proposed issuance of Capital Improvement Refunding Bonds, Series 2015 to be issued to refund the City's Series 2007 Capital Improvement Revenue Bonds.

Please see their attached letter detailing the procedures PFM will use in their plan of finance.

The proposed cost for this is \$20,000 plus out of pocket expenses.

The City Commission has home-rule authority (Art. VII (2) FL Constitution and §166.011 F.S.) to consider matters of fiscal benefit.

ATTACHMENT(S):

- LETTER FROM THE PFM GROUP DATED SEPTEMBER 3, 2015.

5. REQUESTED MOTION/ACTION:

Staff recommends Commission review and approval of the Letter of Engagement with PFM to assist in developing a plan of finance for issuance of Capital Improvement Refund Bonds, Series 2015 for the cost of \$20,000 plus out of pocket expenses.



The PFM Group

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

Lincoln Plaza
Suite 1170
300 S. Orange Avenue
Orlando, FL
32801-3470

407 648-2208
407-648-1323 fax
www.pfm.com

September 3, 2015

Michael Fuller
City Manager
City of Callaway
6601 East Highway 22
Callaway, Florida 32404

RE: Proposal for Financial Advisor Services

Dear Mr. Fuller:

Public Financial Management, Inc. ("PFM") is pleased to submit this proposal to assist the City of Callaway (the "City") in the development of a plan of finance related to the City's proposed issuance of its Capital Improvement Refunding Bonds, Series 2015 (the "2015 Bonds") to be issued to refund the City's Capital Improvement Revenue Bonds, Series 2007. PFM proposes to assist the City with the development of the plan of finance, implementation of the recommended plan of finance and completion of the entire transaction management process. When developing the plan of finance, PFM will implement the following procedures:

1. Analyze the different revenue streams that are available to service the debt, outstanding debt and any plans for additional debt in the future. Based on this review PFM will make recommendations on how the debt should be structured and which revenue stream(s) should be pledged to pay debt service in order to provide the City the lowest overall financing cost.
2. Once a structure has been decided on, PFM will analyze whether the City should procure funding through the issuance of a bank loan or publically offered bond deal. Depending on the structure of the financing, goals and objectives of the City and market conditions at the time of sale; PFM will recommend which financing vehicle will result in the City achieving the lowest overall financing costs and most favorable terms.

Once the plan of finance that will generate the overall lowest financing cost to the City has been recommended, PFM will assist the City in the implementation of this plan of finance. The steps involved in this will differ depending on the above recommendations, but are broadly outlined as follows:

1. Develop financing timetable.
2. Assist the City with the procurement of other members of the financing team, if needed.
3. Assist with the drafting and review of financing documents.
4. Attend Board Meetings when approval of the financing is being requested.
5. Assist with the pricing of the 2015 Bonds.
6. Assist with the review of closing documents.
7. Draft closing/wiring instructions memorandum.
8. Attend pre-closing.
9. Oversee closing of the financing.

To assist the City with the development of the plan of finance and transaction management process described above, PFM would charge the City a flat fee of \$20,000 plus out of pocket expenses.



Mr. Michael Fuller
September 3, 2015
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PFM is a registered municipal advisor with the SEC and the Municipal Securities Rulemaking Board ("MSRB") under the Dodd-Frank Act of 2010 (Registration #: 866-00397-00). PFM's obligation under this Agreement is solely to perform its services described above in a professional and timely manner conforming to generally accepted standards and practice for municipal advisors.

If you have any questions about this proposal or the scope of services involved please do not hesitate to give me a call. We look forward to continuing to serve the City as its financial advisor.

Sincerely,
Public Financial Management, Inc.

A handwritten signature in black ink that reads "James W. Glover".

James W. Glover
Managing Director

Accepted By:
City of Callaway, Florida

NAME: _____

TITLE: _____

DATE: _____