



RESOLUTION AWARDING A CONTRACT FOR FINANCIAL ADVISOR AND CONTINUING DISCLOSURE AGENT SERVICES FOR THE COUNTY OF SALEM

WHEREAS, the Salem County Purchasing Agent as authorized Contracting Agent for the Board of County Commissioners of the County of Salem requested, received, and opened sealed proposals on Wednesday, December 2, 2020 at 11:00 A.M., prevailing time for **Financial Advisor and Continuing Disclosure Agent Services** for the County of Salem, the receipt of which proposal was duly advertised in accordance with the law and in such case made and provided; and

WHEREAS, Pursuant to New Jersey State Law N.J.S.A. 19:44A-20.4 et. seq. a "Fair and Open" practice, as adopted by the Board of Chosen Freeholders, was utilized by the County of Salem in the determination of this award; and

WHEREAS, all proposal results and recommendations for contract award are on file in the office of the Purchasing Agent, 110 Fifth Street, Suite 400, in the County of Salem, New Jersey as required by law; and

WHEREAS, the Qualified Purchasing Agent has determined that the value of this contract may exceed Seventeen Thousand, Five Hundred Dollars and Zero Cents (\$17,500.00); and

WHEREAS, it has been determined that the firm of **Phoenix Advisors, LLC** has substantially met the necessary qualifications for the fulfillment of this contract, and further has provided the documentation necessary to successfully fulfill the requirements of the County of Salem; and

WHEREAS, the Salem County Treasurer has certified that funding for this contract shall be encumbered in accordance with N.J.A.C. 5:30-5.4 and this agreement shall further be contingent upon the availability and appropriation of sufficient funds contained in the temporary and final 2021 Budget of the County of Salem under the item Bond Costs-Misc. (1-01-20-135-120-218).

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of the County of Salem as follows:

1. The Board of County Commissioners of the County of Salem awards a contract for the provision of Financial Advisor and Continuing Disclosure Agent Services for the County of, subject to the approval of the County Solicitor, to **Phoenix Advisors, LLC** in accordance with the attached fee schedule, in an amount not to exceed \$20,000 (Twenty Thousand Dollars and Zero Cents).
2. The contract commencing, retroactively, January 1, 2021 and terminating December 31, 2021, or until a successor is appointed, whichever is later, shall be completed in full accordance with the terms and conditions of the contract.

3. The County Commissioners Director and the Clerk of the Board shall be authorized to execute said contracts.



BENJAMIN H. LAURY, Director of the Board of County Commissioners

I hereby certify the foregoing to be a true resolution adopted by the Salem County Board of County Commissioners at its annual reorganization meeting held on January 6, 2021.



STACY L. PENNINGTON
Clerk of the Board

RECORD OF VOTE

COMMISSIONER	RESOLUTION MOVED	RESOLUTION SECOND	AYE	NAY	ABSTAIN	ABSENT
G. Ostrum, Jr.		✓	✓			
E. Ramsay			✓			
L. Ware			✓			
R.S. Griscom	✓		✓			
B. Laury			✓			

✓ Indicates Vote

Department Initials PPF

I, **Kelly A. Hannigan, Treasurer** of the County of Salem, hereby certify in accordance with **Section 5:34-5 of the Local Public Contracts Guidelines and Local Public Contracts Regulations** that adequate funds for the contract listed below are available and are contained in the **OFFICIAL BUDGET** of the County of Salem.



Kelly A. Hannigan, Treasurer

AMOUNT: \$5,000.00	DATE: January 6, 2021
ACCOUNT # and NAME: 1-01-20-135-120-218 Bond Costs-Misc.	
FOR: Financial Advisor-Continuing Disclosure Agent	
*Contingent upon adoption of the temporary budget	
VENDOR: Phoenix Advisors, Inc.	



Phoenix Advisors uses state-of-the-art software in all of our analyses. We utilize the bond program *Munex*, widely accepted in the municipal bond industry to perform our bond sizing and structuring analyses. *Munex* offers superior structuring capabilities to perform everything from "plain vanilla" new money issues to extremely complex refundings. The program offers the ability to structure escrow and project funds, optimize portfolios, and perform transferred proceeds calculations. When an issue requires a specific cash flow analysis that *Munex* cannot easily perform, our professionals have the understanding and skills to use other spreadsheet programs to perform these calculations. We maintain several complex Microsoft Excel spreadsheet models to perform analyses such as multi-purpose allocations, comprehensive tax impact analyses, and debt service reserve fund sizing.

The two most important components of our firm's research is the use of *Bloomberg Professional* service and *Thomson Municipal Market Monitor (TM3)* on-line access. *Bloomberg* provides us with up to the minute market updates, economic news/forecasts, and historical/current security prices allowing us to produce estimates and schedules corresponding to market trends. The *Bloomberg* system also provides us with a unique research capability in connection with municipal issues. We have the ability to search the municipal bond market to find any issues with specific characteristics that may provide an innovative financing strategy. *TM3* provides daily municipal interest rate scales, municipal issuance data, as well as intraday scale indications. *TM3* provides real-time data on the municipal bond market which is an extremely useful tool when pricing issues for our clients.

9. Cost/rate at which your firm can provide these services.

Based upon the multi-faceted, wide-ranging need for financial advisory services to be provided, we have separated our Cost Proposal into two basic components: Transactional and Non-Transactional services. Our goal is to provide value-added service to any and all of your financing needs. There are two important features concerning our compensation: First, our compensation is all-inclusive for the functions included in our Scope of Services. We do not add on hourly rate charges nor do we charge extra for out-of-pocket expenses, fees for travel time, or attendance at meetings. **Out-of-pocket expenses are always difficult for a client to monitor and can ultimately be significant.** Second, our Debt Issuance fee is payable only upon the closing of your issue.

- 1) *Transactional Services (Debt Issuance)*. For all transactional services relating to the sale of Bonds Notes, and NJEIT Loans, Phoenix Advisors proposes the following fees:
 - a) Bonds: \$9,500 plus \$0.50 per \$1,000 issued¹
 - b) Notes: \$1,500 plus \$0.20 per \$1,000 issued¹
 - c) NJEIT Loans: Flat fee of \$2,500
 - d) Energy Savings Improvement Program Financings: \$1.00 per \$1,000 issued²

2) *Non-Transactional Services (Optional)*. Phoenix Advisors proposes the following optional hourly rate fee for non-transactional professional services (not directly related to the issuance of debt), including, but not limited to, early preliminary modeling and conceptual meetings and discussions, according to the following schedule:

Chief Executive Officer	\$195/hour
Senior Managing Director/Managing Director/Director	\$175/hour
Associate/Analyst	\$ 95/hour

¹ Per transaction.
² Minimum \$13,000 per transaction.

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The above hourly rate charges only apply to specialized, non-transactional services that would be agreed to by a client prior to any hourly rate work being undertaken. They are not "add-ons" to our "Transactional Services" outlined in "1" above.

3) *Continuing Disclosure Services:*

- Base fee of \$1,050 for up to three (3) outstanding issues, plus \$100 for each additional outstanding obligation, if filings are required.
- Setup charge for each new bond issuance. The setup fee is \$450 but is discounted to \$200 if Phoenix Advisors serves as Municipal Advisor.
- An amendment made to the Rule, effective February 27, 2019, increases the number of Events, to be recorded on EMMA. Phoenix Advisors will charge \$250 for each Event filing made under the Rule's new Events. Phoenix Advisors will waive this fee if engaged as Municipal Advisor on a transaction that involves such Event filing.

4) *Out-of-Pocket Expenses* **NONE**

Phoenix Advisors does not charge for any out-of-pocket expenses incurred with regard to providing our Municipal Advisory services. Third party charges, pre-approved and directed by a client to be paid by Phoenix Advisors are billed at cost with no mark-up.

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