

**RESOLUTION NO. 2025-015**

**RESOLUTION OF THE TOWNSHIP OF LITTLE EGG HARBOR, COUNTY OF OCEAN, STATE OF NEW JERSEY, APPOINTING PHOENIX ADVISORS, LLC AS FINANCIAL CONSULTANT FOR DEBT SERVICE MATTERS**

**WHEREAS**, there exists a need for a Financial Consultant for Debt Service Matters for the Township of Little Egg Harbor; and

**WHEREAS**, the Township Administrator has determined and certified in writing that the anticipated value of the contract will exceed \$17,500; and

**WHEREAS**, although the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., authorizes the award of contracts for "Professional Services" without competitive bids, the Township issued a request for proposals for professional service contracts in compliance with Ch. 19, P.L. 2004; and

**WHEREAS**, all proposals were to be submitted to the Office of the Township Administrator by November 27, 2024; and

**WHEREAS**, the Township Administrator has reviewed the proposals submitted and recommends that Phoenix Advisors, LLC be appointed as Financial Consultant for Debt Service Matters; and

**WHEREAS**, the Township has determined that Phoenix Advisors, LLC has the ability and expertise to perform the insurance broker services required by the Township; and

**WHEREAS**, the amount of the contract to be awarded under this resolution is determined not to exceed \$17,500.00 which sum is reasonably estimated based upon such services as may be required over the contract term to be awarded under this resolution, including, but not limited to, the amount spent for such services from the previous calendar year, the costs of compensation under the contract to be awarded, and any projected increase or decrease in services

anticipated versus the prior year, and which sum the Township of Little Egg Harbor is under no obligation to spend and which may be exceeded; and

**WHEREAS**, the agreement shall be an open ended contract with funds being encumbered contingent upon the availability of funds in the budget year. A certificate of availability of funds executed by the Chief Financial Officer is annexed hereto. The following is the line item appropriation (s), which constitutes the availability of funds for this contract:

01-20-705 AND CAPITAL ORD

**WHEREAS**, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., requires that the resolution and contract be made available for public inspection.

**NOW, THEREFORE, BE IT RESOLVED** by the Township Committee of the Township of Little Egg Harbor, County of Ocean, State of New Jersey, as follows:

1. That the Township Committee does hereby appoint Phoenix Advisors, LLC as Financial Consultant for Debt Service Matters for the Township of Little Egg Harbor for term of one (1) year, commencing January 1, 2025 and ending December 31, 2025.

2. That the Mayor is hereby authorized to execute and the Township Clerk to attest to the attached agreement with Phoenix Advisors, LLC, in accordance with the provisions of this resolution. The amount of the contract to be awarded is set forth in the approving Resolution which sum is reasonably estimated based upon such services s may be required over the contract term to be awarded under this resolution, including, but not limited to, the amount spent for such services from the previous calendar year, the costs of compensation under the contract to be awarded, and any projected increase or decrease in services anticipated versus the prior year, and which sum the Township of Little Egg Harbor is under no obligation to spend and which may be exceeded.

3. That this contract is awarded without competitive bidding as a "Professional Service" in accordance with N.J.S.A. 40A:11-5(1)(a)(i) of the Local Public Contracts Law because it is for services to be performed by a person or persons authorized by law to practice a recognized profession.

4. That this contract is awarded pursuant to a fair and open public solicitation process in compliance with Ch. 19, P.L. 2004.

5. That the agreements shall be open ended contracts with funds being encumbered contingent upon the availability of funds in the budget year. A certificate of availability of funds executed by the Chief Financial Officer is annexed hereto. The following is the line item appropriation (s), which constitutes the availability of funds for this contract:

01-20-705 AND CAPITAL ORD.

6. That a notice of this action shall be printed once in the official newspaper of the Township of Little Egg Harbor.


7. That a copy of the written determination of value by the Township Administrator shall be placed on file with this resolution.

8. That this resolution shall take effect January 1, 2025.

9. That a certified copy of this resolution shall be provided by the Township Clerk to the Chief Financial Officer and Phoenix Advisors, I.L.C.

#### CERTIFICATION

**I, KELLY LETTERA, CMC, RMC**, Municipal Clerk of the Township of Little Egg Harbor do hereby certify that the foregoing resolution was duly adopted by the Township of Little Egg Harbor Township Committee at a meeting held on the **1<sup>st</sup>** day of **January, 2025**.

  
\_\_\_\_\_  
**KELLY LETTERA, CMC, RMC**  
Township Clerk  
Little Egg Harbor Township

**CERTIFICATE OF AVAILABILITY OF FUNDS**

I, **RODNEY HAINES**, Chief Financial Officer for the Township of Little Egg Harbor, do hereby certify that adequate funds are available for an open-ended contract with the Phoenix Advisors LLC as Financial Consultant for Debt Service Matters.

The amount of the contract to be awarded under this resolution is determined not to exceed \$17,500.00 which sum is based upon a reasonable estimate of the services required over the contract term. The Township of Little Egg Harbor is not obligated to spend this amount and is permitted to exceed this amount during the course of performance of this contract.

The funds which are available for this open-ended contract are found in the following line item appropriation(s): 01-20-705 AND CAPITAL ORD

  
\_\_\_\_\_  
**RODNEY HAINES**, Chief Financial Officer  
Township of Little Egg Harbor

**AGREEMENT**

**THIS AGREEMENT** made this 1<sup>st</sup> day of **January, 2025**, between the **TOWNSHIP OF LITTLE EGG HARBOR**, a municipal corporation of the State of New Jersey, having its principal offices located at 665 Radio Road, Little Egg Harbor, New Jersey 08087 (hereinafter referred to as “Township”) and **PHOENIX ADVISORS, LLC**, having its principal offices located at 2000 Waterford Drive, Suite 101, Hamilton, NJ 08691, hereinafter referred to as “Financial Advisor”;

**W I T N E S S E T H :**

**WHEREAS**, pursuant to law, the parties hereto wish to enter into an agreement for financial consultant services for debt service matters.

**NOW, THEREFORE**, the parties hereunder do agree as follows:

1. Phoenix Advisors, LLC, is hereby appointed as Financial Consultant for Debt Service Matters to perform all financial consultant services required and necessary for the Township of Little Egg Harbor for a term of one (1) year, commencing January 1, 2025, and ending December 31, 2025.

2. The Financial Consultant for Debt Service Matters shall perform all services as determined and authorized by the Township Committee or other authorized official of the Township in accordance with the terms of this agreement. The Financial Consultant for Debt Service Matters shall be compensated in accordance with the fee schedule and proposal, attached hereto and made a part hereof as Schedule A in connection with financial consultant services provided to the Township of Little Egg Harbor.

3. Any extraordinary services as determined and authorized by the Township Committee and which could not be anticipated at the time of this agreement shall be charged in

accordance with the fee schedule attached hereto and shall not exceed the amount appropriated for said purposes by the Township Committee.

4. The parties to this contract agree to incorporate into this contract the mandatory language of subsection 3.5(a) of the Regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Contractor or subcontractor agrees to comply fully with the terms, provisions, and obligations of said subsection 3.5(a).

5. The parties to this contract agree to incorporate into this contract the mandatory language of section 3.7 of the Regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Contractor or subcontractor agrees to comply fully with the terms, provisions, and obligations of said section 3.7.

6. The Financial Consultant for Debt Service Matters shall execute the Affirmative Action Agreement, Exhibit A attached hereto, which shall be incorporated herein by reference.

7. The Financial Consultant for Debt Service Matters shall submit a copy of the Certificate of Employee Information Report or Form AA-302 Initial Employee Information Report prior to any payments being made under this contract.

8. The Financial Consultant for Debt Service Matters shall provide written notice to its subcontractors of the responsibility to submit proof of business registration to the Financial Advisor.

9. Before final payment on the contract is made by the Township, the Financial Consultant for Debt Service Matters shall submit an accurate list and the proof of business

registration of each subcontractor or supplier used in the fulfillment of the contract, or shall attest that no subcontractors were used.

10. For the term of the contract, the Financial Consultant for Debt Service Matters and each of its affiliates and a subcontractor and each of its affiliates [N.J.S.A. 52:32-44(g)(3)] shall collect and remit to the Director, New Jersey Division of Taxation, the use tax due pursuant to the Sales and Use Tax Act on all sales of tangible personal property delivered into this State, regardless of whether the tangible personal property is intended for a contract with a contracting agency.

11. A business organization that fails to provide a copy of a business registration as required pursuant to section 1 of P.L. 2001, c. 134 (C.52:32-44 et al.) or subsection e. or f. of section 92 of P.L. 1977, c.110 (C.5:12-92), or that provides false business registration information under the requirements of either of those sections, shall be liable for a penalty of \$25 for each day of violation, not to exceed \$50,000 for each business registration copy not properly provided under a contract with a contracting agency.

12. The Township of Little Egg Harbor and Financial Consultant for Debt Service Matters for themselves, their heirs, executors, administrators, successors or assigns, hereby agree to the full performance of the covenants herein contained.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed the day and year first above written.

**WITNESS & ATTEST:**

**TOWNSHIP OF LITTLE EGG HARBOR**

\_\_\_\_\_  
**KELLY LETTERA, CMC, RMC**  
Township Clerk  
(Seal)

By

\_\_\_\_\_  
**DANIEL MAXWELL, MAYOR**

**PHOENIX ADVISORS, LLC**

\_\_\_\_\_  
Secretary  
(Seal)

\_\_\_\_\_  
**ANTHONY P. INVERSO, President**





## **AGREEMENT for SMART Services**

**THIS AGREEMENT** (the "Agreement"), made and entered into on January 1, 2025, by and between Little Egg Harbor Township, 665 Radio Road, Little Egg Harbor, NJ 08087 (the "Client"), and Phoenix Advisors, 2000 Waterview Drive - Suite 101, Hamilton, NJ 08691 ("Phoenix Advisors"),

### **WITNESSETH:**

**WHEREAS** Phoenix Advisors has expertise across a variety of disciplines, including but not limited to municipal advisor services, continuing disclosure, rating agency surveillance, project finance, debt management and financial consulting, and being duly registered as a Municipal Advisor with the Securities and Exchange Commission (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), is qualified to perform such professional services;

**WHEREAS** the Client desires to engage Phoenix Advisors, or its successors or assigns, to perform the professional services set forth in the exhibits hereto; and

**WHEREAS** the terms and conditions under which Phoenix Advisors will provide such services to the Client are set forth herein;

NOW, THEREFORE, THE PARTIES HERETO, IN CONSIDERATION OF MUTUAL COVENANTS HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATION, EACH INTENDING TO BE LEGALLY BOUND, HEREBY AGREE AS FOLLOWS:

**General.** Phoenix Advisors will perform the professional services set forth in the exhibits hereto.

**Term.** This Agreement shall have a term of one (1) year from the effective date noted above. This Agreement is subject to annual renewal and may be terminated by either the Client or Phoenix Advisors upon thirty (30) days prior written notice.

**General Compensation.** The client agrees to the compensation schedule as set forth in the exhibits hereto. There shall be no additional charge for out-of-pocket expenses incurred by Phoenix Advisors unless specifically agreed. Should any modification of fees become appropriate, the client shall receive written notification. In the event of termination of the agreement, Phoenix Advisors reserves the right to receive payment of its fee, calculated on a pro rata basis, for all services rendered under this Agreement up to and including the date of termination.

**Professional Qualifications for Municipal Advisor Services.** Under SEC and MSRB regulations, municipal advisor professionals owe a fiduciary duty to the Client. Any person that provides advice to municipal entities concerning the issuance of municipal securities must be registered with the SEC and the MSRB. Any Phoenix Advisors professional providing municipal advisory advice to our clients must hold a Series 50 Municipal Advisor Representative license. Phoenix



Advisors professionals who supervise the provision of municipal advisory advice must hold a Series 54 Municipal Advisor Principal license. All Phoenix Advisors municipal advisor professionals hold the appropriate licenses. All licensees are subject to continuing education protocols.

Neither Phoenix Advisors nor any individual representing Phoenix Advisors possesses any authority concerning any decision of the Client or any official of the Client beyond the rendition of information or advice. Phoenix Advisors does not provide legal or accounting advice. None of the services contemplated in this Agreement shall be construed as legal advice or a substitute for legal services. The Client hereby acknowledges its responsibilities concerning federal securities laws and represents its intention to comply in all respects with federal securities laws. Phoenix Advisors and the Client agree, at their own expense, to operate in full compliance with all governmental laws, regulations, and requirements applicable to the duties conducted hereunder. Phoenix Advisors and the Client will obtain and maintain in force, at its own expense, all licenses, permits, and approvals required for its performance under this Agreement and will obtain all required authorizations and approvals prior to commencement of the services.

**Disclosure of Conflicts of Interest.** The MSRB requires Phoenix Advisors to provide written disclosure to the Client about material conflicts of interest. Disclosures required by the MSRB are set forth in the exhibits hereto.

**Limitation of Liability.** Under federal regulations, Phoenix Advisors has a fiduciary duty to our clients. We utilize extensive market data when providing advice regarding a financing, and we will bring our experience and available resources to bear to achieve a successful closing of your transaction. After closing, market movement, or other changing circumstances in the marketplace over which Phoenix Advisors has no control, may occur. While neither positive nor negative market movement can be guaranteed, Phoenix Advisors shall not be held responsible for any market realities that may negatively affect your financing. By understanding and accepting these limitations, the Client is *not* waiving any of its legal rights under applicable securities laws, nor any other laws the Client may be legally prevented from waiving.

**Entire Agreement.** The Agreement and all exhibits thereto constitute the entire agreement of the parties hereto and supersede all prior or contemporaneous oral or written communications, proposals and representations with respect to its subject matter, and this Agreement, including all exhibits thereto, prevails over any conflicting or additional terms of any quote, order, acknowledgment, or similar communication between the parties during the term of this Agreement, including all exhibits thereto, unless such additional terms are consented to by both parties in writing.

**Successors and Assignees.** The Agreement shall be binding upon and inure to the benefit of the parties hereto. This Agreement may be assigned by Phoenix Advisors or the Client to any entity which acquires all, or substantially all, of Phoenix Advisors' assets and key personnel.


**Severability and Survival.** If any provision of this Agreement is held to be invalid or unenforceable for any reason whatsoever, the remaining provisions shall remain valid and unimpaired, and shall continue in full force and effect. The covenants set forth above shall survive and shall continue to be binding notwithstanding the termination of this Agreement for any reason whatsoever.



**Applicable Law.** This Agreement shall be governed by the laws of the State of New Jersey.

**IN WITNESS WHEREOF,** The Client and Phoenix Advisors have caused this Agreement to be duly executed by their authorized representatives, as of the effective date noted above.

**Little Egg Harbor Township**

By:  \_\_\_\_\_  
Authorized Signatory

**PHOENIX ADVISORS**

By: *Anthony P. Inverso*  
Anthony P. Inverso, Senior Managing Director



## EXHIBIT I - SUMMARY OF SMART SERVICES

SMART is the sensible package of Phoenix Advisors' suite of advisory services that acts as an extension of your finance office. Our expertise across a variety of disciplines reaches far beyond the periodic, transactional issuance of debt and its continuing administration, to a seamless resource you can rely upon year-round and for the long term.

For a reasonable quarterly fee, SMART clients benefit from a complementary suite of practical base services along with discounted access to core transactional and unique consulting services (as more fully described in the Overview of Services herein), including, but not limited to:

- Debt issuance – bonds, notes, leases, etc.
- Finance Office logistical support,
- Investment of proceeds and bidding agent services,
- Redevelopment advisory, and
- Asset valuation and sale/lease.

Included in the SMART base fee are the following extensions of service from which the operations of your finance office will benefit:

### POST-ISSUANCE SERVICES

#### Continuing Disclosure

SEC Rule 15c2-12 (the "Rule") requires underwriters to verify that issuers are complying with their existing Continuing Disclosure Agreements ("CDA"s) and will continue to comply going forward. Our service enables you to present to investors a clear, concise record of your commitment to compliance with continuing disclosure obligations. In short, this includes monitoring outstanding CDA undertakings, preparing financial information and operating data for filing, meeting deadlines and filing information on EMMA, monitoring the market for potential disclosure events and providing comprehensive filing reports/records.

#### Depository Trust Company (DTC) Interface

Our "Debt Caddie" service provides you with timely, itemized reminders for scheduled debt service payments, including related instructions to process payments through DTC or your Paying Agent. When necessary, we act as an interface to facilitate the efficient allocation and processing of funds through the complexities of DTC's rigid systems.



## **RATING AGENCY RELATIONSHIP**

A proactive, strategic approach to interaction with rating agencies is essential to achieving a successful outcome since a strong underlying credit rating is critical to achieving the best possible financing. Whether for a new issue rating or a periodic surveillance review, we prepare a comprehensive presentation tailored to your unique characteristics and circumstances, emphasizing the areas on which the rating agencies are expected to focus. A stronger credit rating attracts broader appeal in the capital markets, which leads to more cost-effective financings. With Phoenix Advisors, SMART clients interact with the rating agencies more effectively.

## **DEBT MANAGEMENT**

### **Construct and Update a Comprehensive Debt Service Calendar**

To help build your budget at the start of each fiscal year, we create a detailed account of your outstanding debt, itemized by issue and in the aggregate by fund(s). Customized graphs and charts visually depict your debt service pattern and amortization progress. These are practical tools in both current year budgeting and long-range capital planning.

### **Monitor Outstanding Debt for Refunding Opportunities**

Always mindful of cost-saving opportunities, we periodically model potential refunding scenarios of outstanding debt so that we are prepared to react whenever fortuitous market conditions develop.

### **Tax Impact Analyses and Capital Planning**

As part of our comprehensive debt management and borrowing projections, we help clients develop and analyze how future capital plans will impact overall debt service and what amounts can be financed without a tax/budgetary impact. Phoenix Advisors constructs a comprehensive multi-year debt projection model to encompass our client's total existing debt service payments and anticipated borrowing needs using interest rate forecasts, various borrowing structures and other assumptions/sensitivities. With sophisticated modeling, we project the magnitude of any such impact to inform the public with accuracy and clarity and ensure sound decision-making.



### **Multi-Year Budget Projections**

The value of looking over the horizon is essential to your year to year financial planning, and important to your bond rating. SMART clients benefit from multi-year budget projection models with embedded 'what if' capabilities that help to organize and refine forecasts.

## **ADDITIONAL INCLUDED SERVICES AVAILABLE BY REQUEST**

### **Interest Rate and Economic Market Analysis**

SMART clients get periodic, insightful, analysis of tax-exempt and taxable interest rate levels and trends, plus changes in the yield curves to keep you attuned to the market.

### **Financial Management Policies**

Formally adopted policies covering debt obligations, fund balances and investments are crucial not only to long-range planning, but also to bond rating agencies. SMART clients get access to a stock of policy templates that we help customize to your specific needs.

### **Fiscal Health Check-Up Report**

SMART clients can request an annual Fiscal Health Check-up Report that shows where you stand using pertinent ratios and visuals constructed from your current financial data. Our easily understood graphs and charts provide a clear, understandable picture of your tax base history, present situation, and direction. This Fiscal Health Check-up Report is suitable for governing body and public presentations.

### **"Fast" Assistance**

FAST (Financial Automated Submission Tracking) is now the statutorily required method to submit your financial documents to the State. FAST will expand to include submission of virtually all financial documents the must go to the Division of Local Government Services. Our staff, which includes a former municipal CFO with more than three decades of experience, has been intimately familiar with FAST since its introduction and can educate you to navigate efficiently through this new and evolving system.



## EXHIBIT II - SMART COMPENSATION

Phoenix Advisors' SMART service is a practical package of advisory services that acts as an extension of your finance office. Our non-hourly compensation is all-inclusive – we do not charge for out-of-pocket expenses, fees for travel time or attendance at meetings without prior notification. When you request specific services (per below), you will receive a separate engagement letter detailing compensation and the scope of services to be provided. Of course, we are always available to answer general questions concerning disclosure requirements, market conditions and outstanding debt issues, or to prepare preliminary project analyses and review financing proposals.

### **FEES FOR BASE SERVICES** (per transaction, except as otherwise indicated):

SMART Program Base Fee:	\$1,100 per calendar Quarter
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Bond Issuance:	\$8,000 plus \$0.50 per \$1,000 issued
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Note Issuance*:	\$500 plus \$0.20 per \$1,000 issued
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\* An additional fee of \$1,000 applies when notes are sold with a Preliminary Official Statement.

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### Continuing Disclosure, including Debt Caddie:

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|----------------------------------|----------|
| ➤ Annual Base Fee                | ✓ Waived |
| ➤ New/Additional Issue Setup Fee | ✓ Waived |
| ➤ Event Notice Filing Fee        | ✓ Waived |
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Lease-Purchase Financings:	✓ Waived
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Rating Agency Surveillance:	✓ Waived
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Conduit Financing (NJIB, USDA, etc.):	✓ Waived
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**FEES FOR ADDITIONAL SPECIALIZED SERVICES\*\*** (per transaction, except as otherwise indicated):

Hourly rates for specialized consulting services not related to the issuance of debt, billable quarterly in arrears:

- Managing Director \$195 per hour
- Associate/Analyst \$145 per hour

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Bank Loan Bond Issuance:	\$5,000 flat fee
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Energy Savings Improvement Program (ESIP) Financings:	\$8,000 plus \$0.50 per \$1,000 issued
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Budget/Fiscal Consulting	Hourly rates
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Redevelopment Advisory	Hourly rates
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Asset/Utility Evaluation	Hourly rates
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\*\* If necessary or requested.

Fees shown above represent discounted fees for SMART clients.





## EXHIBIT III - MSRB REQUIRED DISCLOSURES

Phoenix Advisors is a licensed municipal advisor duly registered with the Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB requires municipal advisors to provide their clients with certain disclosures relating to actual or potential material conflicts under Rule G-42.

MSRB Rule G-42 requires that all municipal advisors provide disclosures of legal or disciplinary events material to the integrity of the municipal advisor's management or advisory personnel. There is one disciplinary event regarding Phoenix Advisors detailed in the firm's Form MA, filed with the SEC, concerning the archiving of text messages. No events have been filed on any Form MA-I associated with personnel of Phoenix Advisors. The MSRB's website is [www.msrb.org](http://www.msrb.org) and the Municipal Advisor Client Brochure is at [www.msrb.org/sites/default/files/MSRB-MA-Clients-Brochure.pdf](http://www.msrb.org/sites/default/files/MSRB-MA-Clients-Brochure.pdf). SEC forms MA and MA-I are available on the SEC's EDGAR website at [www.sec.gov/edgar/searchedgar/companysearch](http://www.sec.gov/edgar/searchedgar/companysearch).

Having exercised reasonable diligence, we are aware of no material conflicts of interest that would preclude us from fulfilling our fiduciary duty on any transaction for which we are engaged. Should we become aware of any material conflict, we would immediately inform the affected parties. Phoenix Advisors makes the following disclosures in connection with our engagement:

**General Mitigation of Conflicts.** Phoenix Advisors has a fiduciary duty to our clients, which includes a duty of loyalty in performing all municipal advisor services. Accordingly, we are always ethically bound to deal honestly and in the utmost good faith with our clients, placing your interests ahead of ours at all times. We also mitigate potential conflicts by adhering to a high standard of suitability for any service rendered to our clients. Phoenix Advisors mitigates any potential conflict described below through our adherence to this fiduciary duty.

**Other Business Lines.** Phoenix Advisors offers a variety of services, including but not limited to Municipal Advisor services, fiscal/budgetary consulting, redevelopment advisory, and various post-issuance compliance services such as Continuing Disclosure Agent services. These offerings could lead to the appearance of a conflict through the cross-selling of our services; however, we clearly disclose that there is no contingency requiring a client to accept multiple services.

**Other Municipal Advisory Relationships.** Phoenix Advisors serves a broad array of other clients, such as school districts, cities and towns, fire districts, counties, and regional authorities that may, from time to time and depending on specific circumstances, have interests that compete with yours. Phoenix Advisors owes a fiduciary duty to any and all clients for whom it performs Municipal Advisory services. No other engagements or relationships would impair our ability to fulfill our regulatory duties to any client.

**Third-Party Service Providers.** From time to time, third-party service providers or vendors may host informative conferences, seminars and other functions (namely the annual conferences of BAM and AGM, the two major bond insurance providers) that are attended by industry participants, including Phoenix Advisors. We typically solicit competitive quotes for third-party services with or without attending any functions sponsored by vendors.



**Non-Exclusive Relationship.** Phoenix Advisors may represent, perform services for, and contract with as many additional clients, persons, or companies as we, in our sole discretion, see fit, provided those services do not pose a conflict of interest with the services we perform for our clients.

**Ongoing Disclosure.** All municipal advisors are required to provide to each client written documentation of their municipal advisor relationship. You have received a written agreement and/or engagement letter, that includes a scope of services, compensation information and disclosure of potential conflicts of interest, if any. We review each engagement to identify, mitigate or eliminate potential conflicts of interest.

**Compensation-Based Potential Conflicts.** MSRB Rule G-42 requires that all municipal advisors provide this information regarding the potential for conflicts arising from certain types of pricing.

**Fixed Plus Variable Fee Contingent Upon Closing.** Compensation includes both a fixed fee component and variable fee component, and the payment of such fees shall be contingent upon the delivery of the issue. This form of compensation may present a potential conflict of interest because, in certain circumstances, it could result in the recommendation of less time-consuming alternatives, failure to perform a thorough analysis of alternatives or a larger than necessary par amount.

**Variable Fee Contingent Upon Closing.** Compensation is based on the size of the issue and the payment of such fees shall be contingent upon the delivery of the issue. While this form of compensation is customary in the municipal securities market, this may present a potential conflict of interest because it could create an incentive to recommend a financing that is unnecessary, disadvantageous, or includes a larger than necessary par amount.

**Fixed Fee Contingent Upon Closing.** Compensation is a fixed amount and the payment of such fees shall be contingent upon the delivery of the issue. The amount is usually based upon, among other things, the expected duration and complexity of the transaction and the scope of services to be performed. This form of compensation may present a potential conflict of interest because the transaction could require more work than originally contemplated, which could result in the recommendation of less time-consuming alternatives or failure to perform a thorough analysis of alternatives.

**Hourly.** Compensation is based on the hourly fees of our personnel, with the aggregate amount equaling the number of hours worked by such personnel times an agreed-upon hourly billing rate. This form of compensation may present a potential conflict of interest because, absent an agreed upon maximum fee, there may not be a financial incentive to recommend alternatives that would result in fewer hours worked.

**If you have any questions about your relationship with Phoenix Advisors,  
call your Municipal Advisor professional at 866-291-8180**



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Note: The following overviews are not formal Scopes of Services. For a specific engagement, a more detailed Scope of Services tailored to the actual services requested will be provided.

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## EXHIBIT IV - OVERVIEW OF ADDITIONAL SERVICES

### **DEBT ISSUANCE**

At Phoenix Advisors, we believe the client deserves a complete understanding of the municipal debt issuance process. We guide you through the marketplace, addressing any questions and concerns at each juncture. There are various types of debt financing available to municipal issuers, including general obligation bonds, notes, leases, bank loans, ESIPs and State/Federal loan programs, to name a few. Our primary objectives are to develop a strategic plan that fits your needs, to coordinate the financing process, to take an active, constructive role on your behalf in the execution of the transaction, and to provide post-issuance analysis and administration. As Municipal Advisor for an issuance of debt, we perform the following:

1. Develop a strategic plan that fits your needs.
  - Design a sound plan of finance that considers your existing financial strengths and growth patterns to ensure the success of the current and future transactions.
  - Assess the cost-benefit of available financing options, structures & concepts.
  - Recommend appropriate structure, terms, credit enhancements and timing-to-market.
  - Prepare clear and concise public presentations to State oversight boards, governing bodies, rating agencies or bond insurers.
  
2. Coordinate the financing process.
  - Establish a timeline identifying key events, dates, and responsibilities.
  - Manage communication and workflow transparently among the working group.
  - Contribute to preparation of the Official Statement and other required offering documents consistent with market standards and satisfactory to interested parties.
  - Develop rating agency strategy, researching and preparing a comprehensive rating presentation to obtain the best possible result. (**See Rating Agency Expertise herein.**)
  - Prepare specifications, solicit and evaluate bids, and recommend the most cost-effective, qualified providers of third-party services, if necessary.



3. Execute the transaction.
  - Utilize real-time market statistics and reference points to evaluate the market environment and determine suitable timing, terms, and structure.
  - Coordinate public bid solicitation for competitive sales and manage the underwriter selection process for negotiated sales.
  - Conduct investor outreach to educate investors and underwriters about your offering.
  - Participate actively in the sale of your debt, provide live translation of events during competitive bid submissions, and dialogue strategically with underwriters if negotiated.
  
4. Administration, post-issuance analysis and reporting.
  - Administer efficient closing – flow of funds, closing documents, debt service schedules.
  - Provide options for investment of bond proceeds, if necessary.
  - Produce summary report(s) and follow-up analysis.
  - Monitor outstanding debt and market conditions for refunding opportunities.
  - Assist with secondary market reporting requirements, if engaged. (**See Continuing Disclosure herein.**)

#### **DEBT MANAGEMENT, BUDGET/FISCAL CONSULTING & CAPITAL PLANNING**

Our professionals have extensive experience in debt management, budget/fiscal consulting, and capital planning. Services in this area will be tailored to your specific needs, which may include any of the following specialized tasks and services:

- Analyze existing and future obligations in the context of debt capacity, debt per capita, and amortization, including mitigation options such as restructuring and refinancing.
- Provide analytical services for financial planning efforts and assist with long-range capital budget, financing strategy and debt service projections.
- Review third-party solicitations with respect to debt refinancing, financial products, or RFP responses, and assess their viability.
- Review budget operations, including revenue shortfalls or expenditure overflows based on changes in the tax levy, other revenues, state aid, debt service and other expenditures, and quantify impacts on the taxpayers, ratepayers, and other stakeholders.
- Develop customized debt management and/or fund balance policies.
- Provide quantitative analysis relating to the defeasance of outstanding debt and/or tax impact analysis relating to the proposed issuance of new debt.
- Assistance with the investment of bond proceeds and reserve funds.
- Serving as “bidding agent” to obtain a portfolio of open market U.S. Treasury securities at a cost effective price.



### **REDEVELOPMENT ADVISORY**

Phoenix Advisors provides expert financial advice at each stage of a Redevelopment project from conception through completion to administration. Projects typically involve public-private partnerships that employ various tax abatement strategies to encourage investment, such as payments in lieu of tax (PILOTs). As Redevelopment Advisor, we perform the following:

- Review developer proposals to confirm assumptions (rents, expenses, construction costs, financing terms) are consistent with market conditions.
- Model cash flows independently to assess feasibility and the need for tax abatement.
- Compare proposed PILOT revenue projections to current and traditional taxes.
- Estimate the impact on municipal and school costs.
- Negotiate PILOT terms with the developer and review the Financial Agreement.
- Prepare presentations to the administration, governing body, and the public, as required.
- Assist with the implementation of the PILOT, including:
  - Monitor the developer's compliance with the terms of the Financial Agreement.
  - Calculate and invoice PILOT payments based on actual, audited financials.

### **ENERGY SAVINGS IMPROVEMENT PROGRAMS**

Phoenix Advisors has been the leader in providing municipal advisory services on ESIP financings. Since the new ESIP law was enacted in 2009, Phoenix Advisors and its professionals have served as municipal advisor on more ESIP financings than any other New Jersey municipal advisory firm.

- Provide advice regarding renewable energy and energy efficient projects through either a lease purchase or bond financing through the Energy Savings Improvement Program.
- Evaluate competitive bids for Energy Savings Company ("ESCO") services and/or professional engineering/energy approach towards execution of ESIP. Provide input as to the value of ESCO guarantees and their costs.
- Advise as to costs/benefits of lease purchase financing versus refunding bond financing (competitive, negotiated, private placement methods) given existing legal constraints, market conditions and credit factors.
- Review and analyze the proposed project, projected energy savings, optimal repayment schedule and project timing, and advise in final structuring decisions to ensure annual debt service levels meet preferred debt service coverage ratios and do not exceed projected energy savings and incentives.
- Solicit proposals from lessors or investment banking firms and prepare or review the various financing documents prepared in connection with the ESIP.
- Coordinate the application to the Local Finance Board and meet with the Division of Local Government Services and Board of Public Utilities staff, as needed.



### **ASSET/UTILITY VALUATION AND SALE/LEASE**

Phoenix Advisors provides essential financial advice to our clients when evaluating the potential sale or lease of municipal assets and utilities. The decision-making process regarding a potential sale or lease of any asset involves a number of considerations, both financial and otherwise. Our expert guidance ranges from initial financial analysis and asset valuation to public-private partnership coordination and implementation.

- Evaluate the financial condition and future viability of municipal assets, including analyzing various structures, alternatives and pro forma financial operations, assumptions and value.
- Review proposals for the sale/lease of municipal assets, with specific attention to financial impact, operations, costs, employees, etc. Assist in the public Request for Bids (RFB) process, as necessary.
- Analyze the financial impact of the transaction on the client, its taxpayers and/or ratepayers and other stakeholders. Evaluate the potential uses of projected new revenue.
- Analyze, propose, and negotiate additional financial and/or community benefits, as requested, to cater to the unique needs of the client.
- Conduct and/or support negotiations with the private party regarding payment calculations, escalation, timing of payments, terms and other incentives. Thoroughly analyze pertinent financial aspects of financial agreements, comment and propose changes, as necessary.
- Make presentations to the governing body and administration and assist in the approval process for various local/State oversight boards, as necessary.

## **EXHIBIT A**

### **MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE N.J.S.A. 10:5-31 et seq., N.J.A.C. 17:27**

#### **GOODS, PROFESSIONAL SERVICES AND GENERAL SERVICE CONTRACTS**

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional orientation or sexual orientation and gender identity or expression, the contractor will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable, will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the contractor's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to employ minority and women workers consistent with the applicable county employment goals established in accordance with N.J.A.C. 17:27-5.2, or a binding determination of the applicable county employment goals determined by the Division pursuant to N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable federal law and applicable federal court decisions.

In conforming with the applicable employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable federal law and applicable federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval  
Certificate of Employee Information Report  
Employee Information Report Form AA302

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Contract Compliance & EEO as may be requested by the Division from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Contract Compliance & EEO for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.

Company \_\_\_\_\_  
Signature \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_