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|  <p><b>Submit Proposals To:</b><br/> City of Hollywood<br/> 2600 Hollywood Boulevard<br/> Hollywood, Florida 33020<br/> Office of City Clerk, Room 221</p> | <p><b>CITY OF HOLLYWOOD, FLORIDA</b></p> <p><b>REQUEST FOR PROPOSALS</b></p> <p><b>PROPOSER ACKNOWLEDGMENT</b></p> |
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| <p><b>RFP Title:</b> Bond Underwriter</p> <p><b>RFP No.:</b> 4414-14-RD</p> <p><b>Service Required:</b> Bond Underwriter for debt transactions</p> <p><b>A Cone of Silence is in effect with respect to this RFP. The Cone of Silence prohibits certain communications between potential vendors and the City. For further information, please refer to Section 30.15(F) of the City's Code of Ordinances.</b></p> | <p>Proposals must be received prior to 3:00 P.M., Thursday, May 8, 2014 and may not be withdrawn within 90 calendar days after such date and time. Proposals received by the date and time specified will be opened in Room 303. All Proposals received after the specified date and time will be returned unopened.</p> <p><b>Procurement Services Contacts:</b> Ralph Dierks, or Linda Silvey, or Joel Wasserman, or his designee</p> <p><b>Telephone No.:</b> (954) 921-3223 or (954) 921-3200 or (954) 921-3290</p> |
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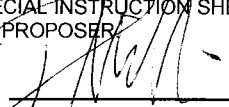
### PROPOSER ACKNOWLEDGMENT

THIS FORM MUST BE COMPLETED AND SUBMITTED ALONG WITH THE COMPLETE PROPOSAL PRIOR TO THE DATE AND THE TIME OF PROPOSAL OPENING. THE PROPOSAL SUMMARY SHEET PAGES ON WHICH THE PROPOSER ACTUALLY SUBMITS A PROPOSAL AND ANY PAGES UPON WHICH INFORMATION IS REQUIRED MUST BE COMPLETED AND ATTACHED WITH ALL PAGES OF THE PROPOSAL DOCUMENT.

|   |  |
|---|--|
| <b>Proposer's Name:</b> Jefferies LLC   | <b>Fed. ID No. or SS Number</b> 13-2615557                         |
| <b>Complete Mailing Address:</b><br>200 S. Orange Ave, Suite 1440<br>Orlando, FL 32801  | <b>Telephone No.:</b> 407.583.0856<br><b>Fax No.:</b> 407.264.6516 |
| <b>Do You Have a Permanent Office Located in the City of Hollywood?</b><br>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  | <b>E-Mail Address:</b><br>rwilliams@jefferies.com                  |
| <b>Indicate type of organization below:</b><br>Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Individual <input type="checkbox"/><br>Other <input checked="" type="checkbox"/> Limited Liability Company |  |

**ATTENTION: FAILURE TO SIGN (PREFERABLY IN BLUE INK) OR COMPLETE ALL RFP SUBMITTAL FORMS AND FAILURE TO SUBMIT ALL PAGES OF THE RFP DOCUMENT AND ANY ADDENDUMS ISSUED MAY RENDER YOUR RFP NON-RESPONSIVE.**

THE PROPOSER CERTIFIES THAT THIS PROPOSAL IS BASED UPON ALL CONDITIONS AS LISTED IN THE PROPOSAL DOCUMENTS AND THAT HE HAS MADE NO CHANGES IN THE PROPOSAL DOCUMENT AS RECEIVED. HE FURTHER PROPOSES AND AGREES, IF HIS PROPOSAL IS ACCEPTED, HE/SHE WILL EXECUTE AN APPROPRIATE AGREEMENT FOR THE PURPOSE OF ESTABLISHING A FORMAL CONTRACTUAL RELATIONSHIP BETWEEN HIM AND THE CITY OF HOLLYWOOD, FLORIDA, FOR THE PERFORMANCE OF ALL REQUIREMENTS TO WHICH THIS PROPOSAL PERTAINS. FURTHER, BY SIGNING BELOW IN BLUE INK, ALL RFP PAGES ARE ACKNOWLEDGED AND ACCEPTED AS WELL AS ANY SPECIAL INSTRUCTION SHEET(S) IF APPLICABLE. I AM AUTHORIZED TO BIND PERFORMANCE OF THIS RFP FOR THE ABOVE PROPOSER.

  
\_\_\_\_\_  
Authorized Name and Signature

**Managing Director**

Title

**April 30, 2014**

Date

Jefferies has the insurance coverage required by the City of Hollywood's RFP #4414-14-RD. We will use reasonable efforts to comply with the cancellation provision and renewal certification provisions.



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# City of Hollywood, Florida Request for Proposals for Bond Underwriter RFQ #4414-14-RD

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Florida Address  
Rawn N. Williams, Managing Director  
**Jefferies LLC**  
200 South Orange Avenue, Suite 1440  
Orlando, Florida 32801  
407.583.0856 phone  
407.264.6516 fax  
rwilliams@jefferies.com  
FEIN # 13-2615557

May 8, 2014

## Disclaimer

**Jefferies LLC ("Jefferies") is providing the information contained in this document for discussion purposes only in anticipation of serving as counterparty to the City of Hollywood, Florida. The primary role of Jefferies, as an underwriter, is to purchase securities, for resale to investors in an arm's-length commercial transaction between the City of Hollywood and Jefferies, and Jefferies has financial and other interests that differ from those of the City of Hollywood. Jefferies is not acting as a municipal advisor, financial advisor or fiduciary to the City of Hollywood or any other person or entity. Jefferies will not have any duties or liability to any person or entity in connection with the information being provided herein. The information provided is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. The City of Hollywood should consult with its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it deems appropriate.**

This document is intended for the exclusive use of the entity identified on the cover page and may contain information proprietary to Jefferies. The fact that Jefferies has made the materials or any other materials available to you constitutes neither a recommendation that you enter into or maintain a particular transaction or position nor a representation that any transaction is suitable or appropriate for you.

This document is not a product of any Jefferies research department and should not be construed as a research report. All materials, including proposed terms and conditions, are indicative and for discussion purposes only. The information contained herein is confidential. By accepting this information, the recipient agrees that it will, and it will cause its directors, partners, officers, employees and representatives to use the information only to evaluate its potential interest in the strategies described herein and for no other purpose and will not divulge any such information to any other party. Any reproduction of this information, in whole or in part, is prohibited; except in so far as required to do so to comply with applicable law or regulation. No warranty, express or implied, including but not limited to, warranties as to quality, accuracy, performance, timeliness, continued availability or completeness of any information contained herein is made. Any pricing or value information provided herein are also only as of the date indicated, taking into account prevailing market conditions and forecasts of expected market conditions (which may or may not be realized), is subject to change without notice and is not a complete analysis of every material fact associated with a transaction. The information contained herein has been prepared solely for informational purposes and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any trading strategy. Transactions involving derivative or other financial products may involve significant risk and you should not enter into any transaction unless you fully understand all such risks and have independently determined that such transaction is appropriate for you. Jefferies does not provide accounting, tax or legal advice; however, you should be aware that any proposed indicative transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and or counsel. In addition, Jefferies and/or affiliates may have served as manager or co-manager of a public offering of securities by any such entity. Further information regarding this material may be obtained upon request.

Jefferies shall have no liability, contingent or otherwise, to the user or to third parties, or any responsibility whatsoever, for the correctness, quality, accuracy, timeliness, pricing, reliability, performance or completeness of the data or formulae provided herein or for any other aspect of the performance of these materials. In no event will Jefferies be liable for any special, indirect, incidental or consequential damages which may be incurred or experienced on account of the user using the data provided herein or these materials, even if Jefferies has been advised of the possibility of such damages. Jefferies will have no responsibility to inform the user of any difficulties experienced by Jefferies or third parties with respect to the use of the materials or to take any action in connection therewith.

As permitted by law, we may share information about you with other companies affiliated with Jefferies, that is, companies that are owned or controlled by Jefferies Group LLC. You may instruct us not to share information with our affiliates for certain purposes by contacting the sender of this presentation.

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## **Written Response to Request for Proposals for Bond Underwriter**

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**RFP Checklist****RFP CHECKLIST**

Please check each line item after the completion of the appropriate item.

- x     I verify that the signature on page number one (1) is the signature of the person authorized to bind the agreement. (Preferably in blue ink)
- x     I acknowledge reading and signing the Hold Harmless Statement.
- x     I have included all information, certificates, licenses and additional documentation as required by the City in this RFP document.
- x     I have checked for any addendums to this RFP, and will continue to check for any addendums up to the due date and time of this RFP.
- x     I have submitted one (1) original and twelve (12) copies and one (1) electronic copy (CD) of the entire proposal with addendums.
- x     I have verified that the outside address label of my RFP package is clearly marked to include my company's name, address, RFP number and date of RFP opening.
- x     I have read and completed (if applicable) the "Disclosure of Conflict of Interest".
- x     I am aware that a Notice of Intent to award this bid shall be posted on the City's website at [www.hollywoodfl.org](http://www.hollywoodfl.org) and on the Procurement Services bulletin board in room 303 at City Hall, and that it is my responsibility to check for this posting. Also, I have provided my email address, as the City, at its discretion, may provide me information by such means regarding this procurement process.
- n/a    I have submitted all supporting documentation for local preference eligibility, which must be received with the bid package prior to the bid opening date and time (if applicable).

NAME OF COMPANY: Jefferies LLC

PROPOSER'S NAME: Rawn N. Williams



PROPOSER'S AUTHORIZED SIGNATURE: \_\_\_\_\_

DATE: May 7, 2014

**HOLD HARMLESS AND INDEMNITY CLAUSE:**

Jefferies LLC and Rawn N. Williams



**(Company Name and Authorized Signature, Print Name),**

the contractor shall indemnify, defend and hold harmless the City of Hollywood, its elected and appointed officials, employees and agents for any and all suits, actions, legal or administrative proceedings, claims, damage, liabilities, interest, attorney's fees, costs of any kind whether arising prior to the start of activities or following the completion or acceptance and in any manner directly or indirectly caused, occasioned or contributed to in whole or in part by reason of any act, error or omission, fault or negligence whether active or passive by the contractor, or anyone acting under its direction, control, or on its behalf in connection with or incident to its performance of the contract.

Jefferies LLC and Rawn N. Williams



**(Company Name and Authorized Signature, Print Name),**

further certifies that it will meet all insurance requirements of the City of Hollywood and agrees to produce valid, timely certificates of coverage.

**L. DISCLOSURE OF CONFLICT OF INTEREST**

Vendor shall disclose below, to the best of his or her knowledge, any City of Hollywood officer or employee, or any relative of any such officer or employee as defined in Section 112.3135, Florida Statutes, who is an officer, partner, director or proprietor of, or has a material interest in the vendor's business or its parent company, any subsidiary, or affiliated company, whether such City official or employee is in a position to influence this procurement or not.

**Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City of Hollywood Purchasing Ordinance.**

Name

None

Relationship

\_\_\_\_\_

In the event the vendor does not indicate any name, the City shall interpret this to mean that no such relationship exists.

## **. PUBLIC ENTITY CRIMES**

"A person or affiliate who has been placed on the convicted vendor list following a conviction for public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list."

## **K. DECLARATION**

The aforementioned, as Proposer (herein used in the masculine singular, irrespective of actual gender and number), declares, under oath that no other person has any interest in this Proposal or in any resulting agreement to which this Proposal pertains, that this Proposal is not made with connection or arrangement with any other persons, and that this Proposal is made without collusion or fraud.

The Proposer further declares that he has complied in every respect with all the instructions to Proposers, that he has read all addenda, if any, issued prior to the opening of Proposals, and that he has satisfied himself fully relative to all matters and conditions with respect to the general conditions of the agreement and all relevant information to which this proposal pertains.

## **L. DISCLOSURE OF CONFLICT OF INTEREST**

Vendor shall disclose below, to the best of his or her knowledge, any City of Hollywood officer or employee, or any relative of any such officer or employee as defined in Section 112.3135, Florida Statutes, who is an officer, partner, director or proprietor of, or has a material interest in the vendor's business or its parent company, any subsidiary, or affiliated company, whether such City official or employee is in a position to influence this procurement or not.

**Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City of Hollywood Purchasing Ordinance.**

| Name        | Relationship |
|-------------|--------------|
| <b>None</b> |              |
| _____       | _____        |
| _____       | _____        |

In the event the vendor does not indicate any name, the City shall interpret this to mean that no such relationship exists.



**RFP NO. 4414-14-RD  
ADDENDUM NO. 1**

**All other specifications, terms & conditions remain the same.**

**MAILED RFP'S**

If you have already submitted your printed Request for Proposals, it will be retained in the City Clerk's Office until the Proposal opening time and date. If you wish to pick up your RFP that has already been submitted, you can do so by showing proper identification, in the Office of the City Clerk, 2600 Hollywood Blvd, Room 221, Hollywood, Florida 33020.

**Please sign and return with your RFP.**

COMPANY NAME: Jefferies LLC



PROPOSER'S SIGNATURE \_\_\_\_\_

Dated this 30th day of April 2014

#### 4. LETTER OF TRANSMITTAL

- a.) Briefly state your firm's understanding of the work to be done and provide a positive commitment to perform the work.  
b.) Give the names of the persons who will be authorized to make representations for your firm, their titles, addresses and telephone numbers.

April 8, 2014

City of Hollywood  
2600 Hollywood Boulevard  
Hollywood, Florida 33020

Dear Ladies and Gentlemen:

Jefferies LLC (the "Firm") is pleased to submit our response to the City of Hollywood's (the "City") Request for Proposals for Bond Underwriters. The City is an important client for our firm, which we believe is demonstrated by our historical coverage of the City. Jefferies is the largest non-commercial bank affiliated investment bank in the U.S., with 31 offices worldwide, nearly 4,000 employees, and over \$11 billion of capital. In just a few short years, our Firm has established a strong national public finance practice. As a measure of our success in Florida, since opening our Orlando office in late 2010, our team has received senior manager appointments to major Florida issuers including Broward County; Miami-Dade County; Osceola County; the cities of Orlando, Fort Lauderdale, and Jacksonville; JEA; and OUC. In addition to our recent successes, the Jefferies' banking team assembled to serve the City has a deep knowledge of the Florida market having senior managed over \$25 billion in Florida bonds over the course of their careers, including the City of Hollywood's first BABs issuance in 2010. Below are our key qualifications:

**SCOPE OF SERVICES TO BE PROVIDED TO THE CITY.** It is our understanding that the City is seeking an underwriting team to assist in the marketing and sale of bonds in connection with financing its capital plan. Jefferies is fully capable of providing the City with the requested services. What differentiates Jefferies from our competitors is not our size or the amount of capital we have, but it is our dedication to adding value to our clients' underwriting team. Jefferies' structuring, marketing and underwriting approach is qualitatively different than our competitors, in that Jefferies' legacy and the types of bankers that we have recruited all bolster a "high service, high contact" business model, based on strong analytics, thoughtful analysis, and willingness to explore better ways of solving problems. As a Senior Managing Underwriter to the City of Hollywood, we would be committed to utilizing our extensive resources to structure financings in line with your goals, create and implement strategies to maximize savings, and increase distribution of the City's bonds.

**KNOWLEDGEABLE, EFFICIENT, AND EFFECTIVE BANKERS.** Jefferies' banking team brings a strong combination of having a thorough understanding of the City coupled with extensive General Obligation, utility system financing and redevelopment agency experience. The primary contact and lead banker for our finance team is **Rawn Williams**, *Managing Director in our Orlando office*. *Rawn is authorized to commit Jefferies' full resources to the City's financings*. He has served as senior manager for over \$30 billion of municipal bonds and has a long history of serving Florida's largest municipal issuers. In 2010, Rawn served the City as senior manager on its \$52 million Series 2010A&B Water and Sewer Improvement Revenue Bonds – the City's first BABs issuance. Since joining Jefferies, Rawn has provided regular refunding updates to the City for both the GO and Water & Sewer credits. His experience with the City will prove valuable to the City on its future financings. **Patti**

**Grant Wilkinson**, *Senior Vice President*, will assist Rawn with the day-to-day coverage of the City. Patti has worked on over 500 transactions in connection with the issuance of \$32 billion in tax-exempt bonds. In addition, **Bill Torsiglieri**, *Managing Director and Head of Quantitative Analysis*, will be an integral part of developing structural strategies and solutions to help the City achieve its overall financing objectives.

**JEFFERIES STRATEGY FOR THE CITY OF HOLLYWOOD.** Jefferies has analyzed the City's debt portfolio for cost savings opportunities. Based on current market conditions, the City can refinance various bonds under its Water and Sewer, GO and CRA credits totaling \$111.7 million for an aggregate of \$12.0 million in present value savings. Jefferies can work with the City to evaluate structural enhancements for the refundings including upfront savings or short call dates, among others. Jefferies would recommend targeting a summer 2014 closing date to take advantage of unprecedented municipal bond redemptions. In the June through August timeframe, over \$100 billion of municipal bonds are scheduled to mature. Given the current lack of supply, in addition to investors' need to reinvest proceeds of redemptions, Jefferies anticipates strong demand for highly rated municipal paper such as the City's credits.

#### PRIMARY CONTACT

**Rawn N. Williams**  
Managing Director  
Jefferies LLC  
200 South Orange Avenue  
Suite 1440  
Orlando, Florida 32801  
407.583.0856 phone  
407.264.6516 fax  
rwilliams@jefferies.com

**COMPREHENSIVE UNDERWRITING AND TRADING DESK.** Jefferies structuring and marketing capabilities are supported by our experienced underwriting desk. Jefferies' head underwriter, Roy Carlberg, is a 20+ year veteran in the municipal underwriting industry. Roy is a recognized leader in the underwriting business and during his career has served as lead underwriter on over \$370 billion in municipal debt covering the full gamut of issuer credits and bond structures. Moreover, Roy has served as lead underwriter for over \$20 billion in bonds issued by Florida municipalities. Our 14-person municipal institutional sales force, which is among the largest on Wall Street, will assist Roy in distributing the bonds. Our sales force provides unparalleled access to a broad array of accounts. Included among our institutional investor base is more than \$1 trillion in municipal assets. Jefferies will leverage its relationships to bring new investors and expand the City's bond distribution resulting in the lowest possible financing cost.

Jefferies affirms that no other person has any interest in this Proposal or in any resulting agreement to which this Proposal pertains, that this Proposal is not made with connection or arrangement with any other persons, and that this Proposal is made without collusion or fraud. Jefferies further declares that we have complied in every respect with all the instructions to Proposers, that we have read all addenda, if any, issued prior to the opening of Proposals, and that we have satisfied ourselves fully relative to all matters and conditions with respect to the general conditions of the agreement and all relevant information to which this proposal pertains. Jefferies does not and will not discriminate against any person, employee, or applicant for employment, because of race, creed, color, religion, sex, national origin, ancestry, age or disability.

We appreciate your consideration of Jefferies for the role of senior managing underwriter and welcome the opportunity to serve the City. With our direct experience and high-profile expertise, our team is prepared to deliver creative ideas, flawless execution, and aggressive pricing.

Sincerely,



Rawn N. Williams, *Managing Director*  
Jefferies LLC  
200 South Orange Avenue, Suite 1440  
Orlando, FL 32801  
Office: (407) 583-0856 | Fax: (407) 264-6516  
Cell: (407) 406-2332  
[rwilliams@jefferies.com](mailto:rwilliams@jefferies.com)

## 5. PROFILE OF PROPOSER

### a.) State whether your organization is national, regional or local.

Jefferies requests consideration as a national investment banking firm. Jefferies is a global organization that has served clients and investors for over 50 years.

### b.) State the location of the office from which work is to be performed.

We envision the majority of the day-to-day services provided to the City of Hollywood will be performed from our Orlando Public Finance Office. Rawn Williams, Managing Director in our Orlando office, would serve as day-to-day banker to the City.

### c.) Describe the firm, including the size, range of activities, etc. Particular emphasis should be given as to how the firm-wide experience and expertise in the area addressed by this Request for Proposal, will be brought to bear on the proposed work. Supply your firm's federal ID number and Dun and Bradstreet number.

**Firm Overview.** Jefferies is the largest full-service independent investment bank in the U.S., and is a global organization that has served clients and investors for over 50 years. Jefferies is the principal operating subsidiary of Jefferies Group LLC, which is in turn a subsidiary of Leucadia National Corporation, a public U.S. holding company listed on the NYSE under "LUK." Headquartered in New York City, Jefferies has 3,850 employees in 31 locations.

Jefferies full-service platform provides a full range of investment banking, sales, trading, research and strategy across the spectrum of equity and fixed income securities, as well as commodities, across the Americas, Europe and Asia.

**Fixed Income Group.** The Firm's Fixed Income Group has 550 professionals dedicated to the sales and trading of municipal bonds, taxable investment grade corporate bonds, U.S. government and agency securities, repos, MBS/ABS, whole loans and emerging markets debt. On June 18, 2009, Jefferies was designated as a Primary Dealer to the Federal Reserve – the first firm to be added since 2006. We have also been added as a primary dealer in other countries including the U.K. and Germany.

**Municipal Securities Group (MSG).** The Municipal Securities Group is part of the Firm's Fixed Income Group. Jefferies' MSG is led by **Ken Gibbs**, an industry veteran with over 30 years of experience. The MSG employs 93 professionals and operates from 12 offices, including one in Orlando.

Since its inception in 2009, Jefferies' MSG has grown its senior managed negotiated volume to \$21.4 billion. This performance ranks Jefferies as the fastest growing public finance group in the industry. To achieve this growth, **Jefferies has hired over 25 public finance professionals from the most prestigious investment banks.** Our goal is to be among the most respected names in public finance and we are continually tweaking our resources to ensure that we have the best and brightest. Unlike other firms in the industry, Jefferies has a mandate to actively expand its municipal operations and is consistently seeking to add seasoned and experienced bankers. As a matter of fact, Jefferies has demonstrated a commitment to expand our municipal banking practice by hiring three senior bankers dedicated to healthcare public finance in the last six months.



Jefferies' MSG is organized around two departments – Public Finance (investment banking) and Institutional Sales and Trading. The Public Finance Department, led by **Neil Flanagan**, consists of investment bankers focusing on all aspects of financing public sector projects. The Institutional Sales and Trading Department is located in our New York headquarters and consists of institutional municipal salespeople, short and long term municipal underwriting, short and long term traders and a credit strategy group. This team of professionals is one of the leading market makers in the municipal bonds.

Jefferies's Federal ID number is 13-2615557. Our Dun and Bradstreet number is 04310340.

**How Does Jefferies' Resources Benefit the City of Hollywood?** As the City is aware, the municipal underwriting business is highly competitive with numerous banks bidding on the same business. Most of the larger banks tout their size, retail offices and capital to win business. What differentiates Jefferies from our competitors is not our size or the amount of capital we have, but *it is our dedication to adding value to our clients' underwriting team.* As a member of the City's underwriting team, we will set ourselves apart by understanding the City's goals/issues and

generating relevant, thoughtful ideas that positively impact the City's bottom line. To that end, Jefferies has a dedicated Quantitative Analysis team and Credit Strategy team to develop structuring and investor relations strategies for the City. **Bill Torsiglieri** is head of our Municipal Quantitative Analysis Group. Bill has over 32 years of experience and leads the development of proprietary financial models, using linear programming techniques to structure tailor-made optimal financial results. Bill has structured over \$25 billion of financings for municipal issuers throughout the nation. **Garrett Falzone**, the head of our Credit Strategy group, has over 19 years of municipal credit experience including experience at Blackrock in the high yield municipal credit group. Garrett will be assisted by **Chris White**, who has 18 years of credit experience and was a rating analyst at Moody's Investors Service for over three years. Garrett and Chris will work with our banking team to develop an effective credit story as well as assist in identifying and communicating with key investors. This story will be particularly important since the City is an infrequent issuer and has not been in the market for its general obligation or water and sewer credits since 2010.


d.) Provide in chart form, a listing of retail and institutional sales experience by type of debt (General Obligation, Water and Sewer, etc.) for which your firm served as Senior or Co-Manager on bond issues in the State of Florida since 2010. Include role, date of issue, issue name, issue size, TIC gross spread, and the components of the gross spread.

#### FLORIDA TAX-EXEMPT UNDERWRITING EXPERIENCE

Since January 1, 2010, Jefferies has managed over \$13.7 billion of negotiated tax-exempt Florida municipal bonds, of which over \$804 million was in the role of senior manager including the recent transaction for JEA (a brief case study of which is provided below). Moreover, Jefferies has been selected to senior manage an upcoming \$70 million capital improvement financing for the City of Orlando. Jefferies is actively building our Florida footprint as evidenced by our recent appointments to the senior management teams for Broward County; Miami-Dade County; Osceola County; the Cities of Orlando, Fort Lauderdale, and Jacksonville; Jacksonville Electric Authority; and the Orlando Utilities Commission. Please refer to the table below that demonstrates Jefferies' ability to place Florida bonds with retail investors and to the following pages for the requested listing of Jefferies' Florida financing experience since 2010.

| Issuer                       | Dated Date | Par Amount (\$mils) | Retail Sales (\$mils) | Jefferies Retail (\$mils) |
|------------------------------|------------|---------------------|-----------------------|---------------------------|
| JEA Bulk Power System        | 03/26/2014 | \$72.460            | \$41.34               | \$30.00                   |
| Orlando Utilities Commission | 01/06/2013 | \$241.925           | \$121.105             | \$119.35                  |
| JEA Water & Sewer System     | 7/11/2012  | 178.365             | \$135.000             | \$71.70                   |

While the deal list provided on the following pages demonstrates Jefferies' Florida financing experience, it does not fully represent the experience of our team members. Rawn Williams, our team leader for the City of Hollywood, has extensive Florida financing experience having served as senior manager for 72 Florida negotiated transactions totaling nearly \$21 billion in his career. We have included a listing of Rawn's related municipal financing experience since 2006 in our response to Question 6.B

|  |   |
|--|---|
|  <p><b>JEA</b><br/>\$72,460,000<br/>Bulk Power Supply System Revenue Bonds<br/>Scherer 4 Project Issue<br/>Series 2014A</p> <p>Ratings: Aa2/AA-/AA<br/>Pricing Dates: March 5, 2014<br/>Delivery Date: March 26, 2014</p> <p><b>Jefferies</b></p> | <p>Jefferies recently served as Senior Manager on JEA's \$72 million Bulk Power Supply System Revenue Bonds, Scherer 4 Project Issue. JEA and Jefferies worked closely to structure the transaction exclusively with a 5-year call (4/1/2019). The transaction was structured with par-ish to slight discount bonds in order to minimize JEA's borrowing costs. Over \$69 million in retail orders were placed or over 95% of the total transaction, of which nearly \$50 million were orders placed by Jefferies.</p> <p>Jefferies was able to price the transaction at similar spreads to MMD as JEA's previous electric transaction (January 2014) despite a decrease in MMD of approximately 25 basis points and a call feature 6 months earlier than the previous transaction. As a result of the transaction, JEA saved over \$15 million in PV savings or 20.07%.</p> <p>This was the second Jefferies' senior managed financing for JEA since our appointment to its underwriting pool in July 2011. In August 2012, Jefferies lead managed a \$178 million refunding on behalf of JEA's water and sewer system that placed 75% of the bonds with retail investors and placed bonds with over 25 institutional investors. JEA realized over \$16 million in pv savings or 8.9%.</p> |
|--|---|

### Jefferies' Select Florida Financing Experience since January 1, 2010

| Role   | Sale Date | Issuer                           | Description                       | Par Amount<br>(\$ mils) | TIC    | Total | Gross Spread |        |          |
|--|-----------|----------------------------------|-----------------------------------|-------------------------|--------|-------|--------------|--------|----------|
|  |           |                                  |                                   |                         |        |       | Mgmt Fee     | Avg TD | Expenses |
| <b>Covenant to Budget and Appropriate Bonds</b>  |           |                                  |                                   |                         |        |       |              |        |          |
| CO-MGR   | 03/20/14  | Florida State BOE                | Public Ed Cap Outlay Ref Bonds    | 108.840                 | 2.420% | 3.42  | 0.00         | n/a    | n/a      |
| CO-MGR   | 03/19/14  | Orange Co School Board           | Certificates of Participation     | 63.840                  |        | 3.95  | 2.16         | 0.00   | 1.79     |
| CO-MGR   | 02/26/14  | Sunshine State Govt Fin          | Revenue Bonds                     | 57.000                  | 4.193% | 2.80  | 0.00         | 2.50   | 0.30     |
| CO-MGR   | 08/14/13  | Orange Co School Board           | Certificates of Participation     | 19.290                  |        | 4.34  | 0.00         | 2.16   | 2.18     |
| CO-MGR   | 03/28/12  | Orange Co School Board           | Certificates of Participation     | 78.730                  |        | 3.10  | 0.00         | n/a    | n/a      |
| CO-MGR   | 01/05/12  | Orange Co School Board           | Certificates of Participation     | 56.445                  |        | 4.66  | 0.00         | 3.75   | 0.91     |
| <b>Refunding Bonds</b>   |           |                                  |                                   |                         |        |       |              |        |          |
| CO-MGR   | 02/19/14  | Florida State BOE                | Lottery Revenue Refunding Bonds   | 186.170                 | 2.160% | 2.52  | 0.00         | n/a    | n/a      |
| CO-MGR   | 07/19/13  | Miami-Dade Co-Florida            | Water & Sewer Sys Rev & Ref Bonds | 492.665                 |        | 5.21  | 0.00         | n/a    | n/a      |
| CO-MGR   | 06/07/13  | Jacksonville Electric Authority  | District Energy Sys Ref Rev Bonds | 43.330                  |        | 5.77  | 0.00         | n/a    | n/a      |
| CO-MGR   | 12/05/12  | Florida Board of Governors       | Revenue Refunding Bonds           | 11.920                  | 2.410% | 11.14 | 0.00         | n/a    | n/a      |
| LEAD   | 11/29/12  | Jacksonville City-Florida        | Capital Imp Ref Revenue Bonds     | 118.005                 | 2.642% | 4.62  | 0.00         | 4.24   | 0.38     |
| CO-MGR   | 11/16/12  | Jacksonville City-Florida        | Special Revenue Refunding Bonds   | 34.340                  |        | 3.98  | 0.00         | 4.16   | 0.24     |
| CO-MGR   | 11/16/12  | Jacksonville City-Florida        | Special Revenue Refunding Bonds   | 195.820                 |        | 4.48  | 0.00         | 4.16   | 0.24     |
| CO-MGR   | 09/06/12  | Orange Co-Florida                | Sales Tax Revenue Refunding Bonds | 96.195                  | 1.966% | 0.90  | 0.00         | n/a    | n/a      |
| CO-MGR   | 08/21/12  | Jacksonville Electric Authority  | Power Park Sys Ref Rev Bonds      | 3.455                   | 0.752% | 3.67  | 0.00         | 3.02   | 0.65     |
| CO-MGR   | 08/21/12  | Jacksonville Electric Authority  | Power Park Sys Ref Rev Bonds      | 81.680                  | 0.752% | 3.67  | 0.00         | 3.02   | 0.65     |
| CO-MGR   | 02/24/12  | Hillsborough Co School Board     | Ref Certificates of Participation | 124.565                 | 3.921% | 4.00  | 0.00         | 3.75   | 0.25     |
| CO-MGR   | 09/20/11  | Jacksonville Electric Authority  | Refunding Revenue Bonds           | 7.935                   |        | 2.22  | 0.00         | n/a    | n/a      |
| CO-MGR   | 09/20/11  | Jacksonville Electric Authority  | Refunding Revenue Bonds           | 357.475                 |        | 2.22  | 0.00         | n/a    | n/a      |
| <b>Tax-Backed Revenue Bonds (Sales Tax, Franchise Fees, Tourist Development, etc.)</b> |           |                                  |                                   |                         |        |       |              |        |          |
| CO-MGR   | 03/28/14  | Orlando City-Florida             | Revenue Bonds                     | 236.290                 | 4.285% | 2.19  | 0.00         | 2.00   | 0.19     |
| LEAD   | 05/29/13  | Florida Gulf Coast Univ Fin Corp | Capital Improvement Rev Bonds     | 30.000                  | 4.226% | 11.81 | 0.00         | n/a    | n/a      |
| CO-MGR   | 07/20/12  | Miami-Dade Co-Florida            | Transit Sys Sales Surtax Rev Bond | 537.210                 |        | 5.09  | 0.00         | n/a    | n/a      |
| <b>Utilities and Water / Sewer Issues</b>  |           |                                  |                                   |                         |        |       |              |        |          |
| LEAD   | 03/06/14  | Jacksonville Electric Authority  | Bulk Power Supply Sys Rev Bonds   | 72.460                  |        | 5.83  | 0.00         | 4.99   | 0.84     |
| CO-MGR   | 01/16/14  | Jacksonville Electric Authority  | Electric System & Sub Rev Bonds   | 287.920                 |        | 5.01  | 0.00         | n/a    | n/a      |
| CO-MGR   | 08/14/13  | Jacksonville Electric Authority  | Electric Sys & Sub Revenue Bonds  | 197.165                 |        | 4.79  | 0.00         | n/a    | n/a      |
| CO-MGR   | 07/26/13  | Jacksonville Electric Authority  | Water & Sewer Sys & Sub Rev       | 173.925                 |        | 4.63  | 0.00         | n/a    | n/a      |
| CO-MGR   | 07/26/13  | Jacksonville Electric Authority  | Water & Sewer System Rev Bonds    | 29.710                  |        | 3.03  | 0.00         | n/a    | n/a      |
| CO-MGR   | 04/26/13  | Jacksonville Electric Authority  | Electric Sys Revenue & Sub Bonds  | 96.225                  |        | 5.69  | 0.00         | n/a    | n/a      |
| CO-MGR   | 01/25/13  | Jacksonville Electric Authority  | Electric Sys & Sub Revenue Bonds  | 203.255                 |        | 3.75  | 0.00         | n/a    | n/a      |
| CO-MGR   | 01/18/13  | Jacksonville Electric Authority  | Electric System Sub Rev Bonds     | 59.330                  |        | 6.04  | 0.00         | n/a    | n/a      |
| LEAD   | 11/20/12  | Orlando Utilities Commission     | Utility System Revenue Ref Bonds  | 241.925                 |        | 3.89  | 0.00         | 3.64   | 0.25     |



| Jefferies' Select Florida Financing Experience since January 1, 2010   |           |                                 |                                  |                         |        |       |              |        |          |
|--|-----------|---------------------------------|----------------------------------|-------------------------|--------|-------|--------------|--------|----------|
| Role   | Sale Date | Issuer                          | Description                      | Par Amount<br>(\$ mils) | TIC    | Total | Gross Spread |        |          |
|  |           |                                 |                                  |                         |        |       | Mgmt Fee     | Avg TD | Expenses |
| CO-MGR   | 08/02/12  | Jacksonville Electric Authority | Electric System Revenue Bonds    | 140.640                 |        | 6.39  | 0.00         | n/a    | n/a      |
| CO-MGR   | 07/30/12  | Jacksonville Electric Authority | Electric System Sub Rev Bonds    | 109.605                 | 3.657% | 6.38  | 0.00         | 5.87   | 0.51     |
| LEAD   | 07/18/12  | Jacksonville Electric Authority | Water & Sewer Sys Sub & Rev      | 178.365                 | 3.905% | 5.73  | 0.00         | 5.36   | 0.37     |
| CO-MGR   | 07/16/12  | Jacksonville Electric Authority | Revenue Bonds                    | 121.475                 |        | 5.69  | 0.00         | n/a    | n/a      |
| CO-MGR   | 07/13/12  | Gainesville City-Florida        | Utilities System Revenue Bonds   | 81.860                  |        | 4.63  | 0.00         | 4.15   | 0.48     |
| CO-MGR   | 01/26/12  | Jacksonville Electric Authority | Water & Sewer Sys Rev & Sub      | 354.875                 |        | 4.43  | 0.00         | n/a    | n/a      |
| CO-MGR   | 01/17/12  | Jacksonville Electric Authority | Electric System Sub Rev Bonds    | 174.880                 |        | 5.10  | 0.00         | n/a    | n/a      |
| CO-MGR   | 12/09/11  | Orlando Utilities Commission    | Utility System Revenue Ref Bonds | 86.450                  |        | 4.17  | 0.00         | n/a    | n/a      |
| LEAD   | 04/07/11  | Orlando Utilities Commission    | Utility System Revenue Bonds     | 100.000                 |        | VR    | VR           | VR     | VR       |
| CO-MGR   | 11/10/10  | Gainesville City-Florida        | Utilities System Revenue Bonds   | 12.930                  |        | 5.47  | 0.00         | n/a    | n/a      |
| CO-MGR   | 11/10/10  | Gainesville City-Florida        | Utilities System Revenue Bonds   | 16.365                  |        | 5.47  | 0.00         | n/a    | n/a      |
| CO-MGR   | 11/10/10  | Gainesville City-Florida        | Utilities System Revenue Bonds   | 132.445                 |        | 5.47  | 0.00         | n/a    | n/a      |
| 43 Select Florida Transactions Totaling:   |           |                                 |                                  | \$5,813.005             |        |       |              |        |          |
| Source: Thomson Reuters and Jefferies internal files (gross spread information). Blue highlights indicate lead managed transactions. |           |                                 |                                  |                         |        |       |              |        |          |

**e.) Have you been involved in litigation within the last five (5) years or is there any pending litigation arising out of your performance? Provide details on any active SEC investigations of your firm.**

Many aspects of our business involve substantial risks of regulatory and legal liability. Given the highly regulated nature of our business and industry, in the normal course of business, we are involved in a number of regulatory matters, including exams, investigations, and similar reviews, arising out of the conduct of our business. Settled regulatory matters are disclosed on our Form BD, which may found at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/index.htm>. Similarly, in the normal course of our business, we have been named as defendants or codefendants in lawsuits involving claims for damages. Based on currently available information, however, we do not believe that any matter will have a material adverse effect on our financial condition, nor has any prior matter had a material adverse effect on our financial condition or otherwise resulted in significant reputational or franchise risk.



## 6. SUMMARY OF PROPOSER'S QUALIFICATIONS

- a.) Identify the project manager and each individual who will work as part of the engagement. Include resumes for each person to be assigned. The resumes may be included as an appendix.
- b.) Describe the experience in conducting similar projects for each of the consultants assigned to the engagement. Describe the relevant educational background of each individual.
- c.) Describe the organization of the proposed project team, detailing the level of involvement, field of expertise and estimated hours for each member of the team.
- d.) Describe what municipal staff support you anticipate for the project.
- e.) Has your firm ever failed to complete any work awarded to you? If so, where and why?
- f.) Has your firm ever been terminated from a contract? If so, where and why?

### A. PROJECT MANAGER AND FINANCE TEAM

Jefferies' dedicated finance team for the City of Hollywood is comprised of some of the brightest minds in the municipal industry. The primary contact and lead banker for our finance team is **Rawn Williams**, *Managing Director in our Orlando office*. Rawn has historically been a senior manager to the City, having served as senior manager for the City's Series 2010AB Water and Sewer Revenue Bonds while at his prior firm. In addition to his experience at the City, Rawn has served as senior manager for over \$30 billion of municipal bonds and has a long history of serving Florida's largest municipal issuers. Among his Florida clients are issuers such as the cities of Miami, Hollywood, Jacksonville, Winter Park and Orlando; OUC; Broward County; Miami-Dade County; Collier County; Orlando-Orange County Expressway; GOAA; the Florida Hurricane Catastrophe Fund; Citizens Property Insurance Corporation; and the State of Florida for whom he has structured a variety of fixed-rate, variable-rate and derivative products. **Patti Grant-Wilkinson**, *Senior Vice President*, will assist Rawn with the day-to-day coverage of the City. Patti has worked on over 500 transactions in connection with the issuance of \$32 billion in tax-exempt bonds. Her Florida clients include Miami-Dade County and the City of Jacksonville. **Marquita Jackson**, *Vice President*, and **Tamaa Patterson**, *Associate*, will work closely with our team to structure and implement the optimal financing structure for the City's proposed financings.

The Jefferies team also includes industry leading bankers with specialized experience. **Bill Torsiglieri**, *Managing Director and Head of Quantitative Analysis*, will be an integral part of developing structural strategies and solutions to help the City achieve its overall financing objectives. **Mark Widener**, *Managing Director and Utility Financing Specialist*, has 18+ years of utility financing experience senior managing over \$10 billion of utility financings. Both Bill and Mark will be available to work with our Core Finance Team.

All City financings (both fixed and variable rate) will be priced from our New York City headquarters. **Jim McGinley**, who heads our Municipal Securities Markets Group, brings to the firm over 22 years of both sell-side and buy-side municipal securities industry experience. **Roy Carlberg**, *Managing Director and Head of Long-Term Underwriting*, will manage any long-term fixed rate financings. Roy is industry recognized for his underwriting abilities having served as lead underwriter for over \$370 billion of municipal bonds. **Betty Infantes**, *Senior Vice President and Head of Short-Term Origination*, will manage any short-term or variable rate financings. Betty is responsible for Jefferies' multi-billion dollar remarketing portfolio and has served as underwriter for over \$28 billion of floating rate debt. **Drew Levinson**, our tax-exempt sales manager, manages the institutional municipal sales force, which involves the management and development of all investor relationships. **Steve Anderson**, *Managing Director and Head of Investment Grade Taxable Sales*, will lead the effort for any taxable distribution of the City's bonds. **Garrett Falzone**, *Managing Director*, provides credit perspectives and views of the investor client base. Garrett will be assisted by **Chris White** who has 18 years of credit experience and was a rating analyst at Moody's Investors Service for over three years. *Both Jim McGinley and Roy Carlberg have the ability to commit Jefferies' capital to underwriting unsold balances during the underwriting process.*

***All members of Jefferies' finance team will be available at all times to ensure that the City receives the highest level of service and focus.***

Please refer to Appendix A Jefferies' Finance Team Resumes.

### B. SIMILAR EXPERIENCE OF KEY PERSONNEL

**Rawn Williams**, primary contact to the City of Hollywood, ***began his career as a SRF banker, utilizing intensive quantitative modeling techniques that have aided in his success in developing highly customized and innovative financing structures for his clients.*** Rawn received his BA with honors from Morehouse College and MBA from Harvard Business School and is FINRA Series 53, 62, and 7 licensed. In the past two years, Rawn has structured four complex financings for the Dormitory Authority of the State of New York ("DASNY") totaling over \$1 billion,

developed a comprehensive marketing program for the \$88 million University of Connecticut 2012 Special Obligation Student Fee Revenue Bonds that resulted in oversubscription of several of the maturities, and served as senior manager to the City of Philadelphia for a \$85 million refunding through the Philadelphia Municipal Authority that achieved tighter pricing than the City's GO financing just a few months earlier. In addition, prior to joining Jefferies, Rawn served as senior manager to the City of Miami for a series of financings similar in credit pledge to the City of Hollywood. Brief case studies of the Philadelphia and Miami transactions are provided below. Please refer to the following page for Rawn's senior managed financing experience since 2006.



**\$85,050,000**  
**The Philadelphia Municipal Authority**  
**City of Philadelphia, Pennsylvania**  
**City Agreement Revenue**  
**Refunding Bonds**  
**2013 Series A**

Ratings: A2/A-/A-  
Pricing Date: September 11, 2013  
Delivery Date: October 9, 2013

**Jefferies**

In September 2013, Rawn led Jefferies senior manager team in the \$85 million refunding for the City of Philadelphia issued through the Philadelphia Municipal Authority. The Bonds are designated as "City Agreement Revenue Bonds" and are General Fund-supported debt of the City, yet do not have GO pledge.

The refunding generated gross savings of \$8.7 million and PV savings of \$8.4 million, or 9.4% of refunded par. The financing was more than 2x oversubscribed in aggregate, allowing Jefferies to tighten spreads by 2 to 5 bps depending on maturity. Orders were placed by nearly 20 different accounts and achieved tighter pricing than the City's most recent GO financing sold in July 2013. The short amortization of the bonds contributed to the ultimate success of the sale.

| The Philadelphia Municipal Authority<br>City of Philadelphia, Pennsylvania<br>City Agreement Revenue Refunding Bonds<br>2013 Series A |                     |       |                            |   |         |
|---|---------------------|-------|----------------------------|---|---------|
| Maturity  | Par                 | Yield | Spread to MMD <sup>1</sup> | Spread to MMD of July 2013 GO Financing | Delta   |
| 11/15/2014  | \$16,685,000        | 0.40% | + 15 bps                   | + 7 bps                                 | + 8 bps |
| 11/15/2015  | 17,215,000          | 0.94% | + 45 bps                   | + 50 bps                                | - 5 bps |
| 11/15/2016  | 18,050,000          | 1.37% | + 56 bps                   | + 62 bps                                | - 6 bps |
| 11/15/2017  | 23,920,000          | 1.87% | + 68 bps                   | + 77 bps                                | - 9 bps |
| 11/15/2018  | 9,180,000           | 2.37% | + 73 bps                   | + 82 bps                                | - 9 bps |
| <b>Total</b>  | <b>\$85,050,000</b> |       |                            |   |         |

<sup>1</sup> Given November 15 maturities, reflects spread to late MMD

#### Rawn's Senior Managed City of Miami Financing Experience

**Limited Ad Valorem Tax Bonds, Series 2002.** In 2002, Rawn served as Senior Manager for the 2002 Limited Ad Valorem Tax Bonds that represented the City's first new money issuance after declaring a state of Financial Emergency in 1996. The 2002 Bonds were issued pursuant to a \$255 million voter-approved Limited Ad Valorem Tax authorization capped at 1.218 mils. To maintain the 1.218 mil debt service constraint, the 2002 Bonds were structured around existing General Obligation unlimited tax bonds using capital appreciation and current interest bonds. Rawn advised the City to establish an escrow fund for \$3.75 million in existing excess debt service funds to help pay debt service on the bonds due in 2003 and 2004 in order to preserve debt capacity. This intricate and delicately balanced financing structure allowed the City to obtain an insurance commitment and investment grade underlying ratings, as well as issue nearly 60% of its Limited Ad Valorem Tax authorization.

**Swaption on 2004 Pension Obligation Bonds.** On November 15, 2004, Rawn assisted the City in executing a swaption to synthetically refund \$29,470,000 of its taxable Pension Obligation Bonds. Working with the City to select the most appropriate financing vehicle, Rawn and the City's financial advisor ultimately recommended an annual pay swaption, which provided the City with fixed annual payments of \$225,000 each December through the final maturity of the refunded bonds. The swaption achieved net present value benefit of 7.70%, well above the City's anticipated savings threshold.

**Special Obligation Bonds, Series 2009.** In November 2009, Rawn senior managed the City's \$65 million Special Obligation Bonds (Street and Sidewalk Improvement Program). Assured Guaranty was unwilling to provide an insurance commitment, however strong marketing and pricing efforts secured a reduction in the spread to MMD of between 5 and 11 basis points on the long-dated term bonds between the initial price views and final pricing, as well as achieved an all-in cost of funds of 5.60%.

**Special Obligation Parking Revenue Bonds, Series 2010AB.** In July 2010, Rawn led a syndicate in the pricing of the City's \$84.54 million Tax-Exempt Special Obligation Parking Revenue Bonds, Series 2010A and Taxable Special Obligation Parking Revenue Bonds, Series 2010B. The proceeds for the transaction funded, in part, the cost of construction of several

parking facilities for the Miami Marlins Baseball Stadium. The City secured cost effective bond insurance from Assured Guaranty despite recent ratings downgrades for the City. Despite needing to supplement the POS twice, including once on the morning of pricing, the successful order period resulted in lowered yields on the tax-exempt maturities by 3 and 4 basis points. The all-in TIC of 5.88% is a tribute to the combined efforts of the entire finance team.

| Rawn Williams' Senior and Co-Senior Managed Financing Experience Since 2006 |                                   |                                      |                     |
|---|-----------------------------------|--------------------------------------|---------------------|
| Sale Date   | Issuer                            | Issue Description                    | Par Amt (\$mils)    |
| upcoming  | NYS Dorm Authority                | School Districts Revenue Bonds       | 210.000*            |
| 04/22/14  | University of Connecticut         | GO Bonds                             | 201.990             |
| 03/25/14  | Atlanta Airport                   | Airport Facilities Ref Rev Bonds     | 846.485             |
| 09/11/13  | City of Philadelphia              | Revenue Bonds                        | 85.050              |
| 04/17/13  | Pennsylvania Turnpike             | Transportation Bonds                 | 164.167             |
| 11/29/12  | Jacksonville City-Florida         | Capital Imp Ref Revenue Bonds        | 118.005             |
| 11/20/12  | Orlando Utilities Commission      | Utility System Rev & Ref Bonds       | 241.925             |
| 11/21/12  | University of Connecticut         | Oblig Student Fee Ref Revenue        | 87.980              |
| 11/15/13  | Howard Co Housing Commission      | Revenue Refunding Bonds - Multimodal | 34.265              |
| 10/02/12  | NYS Dorm Authority                | School Districts Revenue Bonds       | 369.105             |
| 09/11/12  | NYS Dorm Authority                | Lease Rev Bonds (SUNY)               | 234.720             |
| 07/11/12  | JEA                               | Water & Sewer System Ref Rev Bonds   | 178.365             |
| 05/12/11  | NYS Dorm Authority                | School Districts Revenue Bonds       | 327.315             |
| 07/22/10  | Miami City-Florida                | Special Obligation Park Rev Bonds    | 16.830              |
| 07/22/10  | Miami City-Florida                | Special Obligation Park Rev Bonds    | 84.540              |
| 06/17/10  | Orlando-Orange Co Expressway Au   | Refunding Revenue Bonds              | 201.125             |
| 06/17/10  | Orlando Orange Co Expressway      | Refunding Revenue Bonds              | 201.125             |
| 05/05/10  | District of Columbia              | Fixed Rate Revenue Bonds             | 59.550              |
| 03/24/10  | Florida Citizens Prop Ins Corp    | High-Risk Acct Sr Secured Bonds      | 350.000             |
| 03/24/10  | Florida Citizens Prop Ins Corp    | High-Risk Acct Sr Secured Bonds      | 1,550.000           |
| 03/24/10  | Florida Citizens Prop Ins Corp    | High-Risk Acct Sr Secured Bonds      | 500.000             |
| 01/20/10  | Hollywood City-Florida            | Water & Sewer Imp Revenue Bonds      | 4.185               |
| 01/20/10  | Hollywood City-Florida            | Water & Sewer Imp Revenue Bonds      | 48.160              |
| 01/07/10  | Florida Dept of Environ Protect   | Forever Revenue Bonds                | 174.590             |
| 01/07/10  | Florida Dept of Environ Protect   | Forever Revenue & Refunding Bonds    | 175.275             |
| 11/19/09  | Miami City-Florida                | Special Obligation Bonds             | 65.000              |
| 10/23/09  | Miami City-Florida                | Parking Sys Rev & Rev Ref Bonds      | 6.485               |
| 10/23/09  | Miami City-Florida                | Parking Sys Rev & Rev Ref Bonds      | 60.110              |
| 08/27/09  | Orlando City-Florida              | Capital Imp Spec Rev & Ref Bonds     | 27.915              |
| 08/27/09  | Orlando City-Florida              | Capital Imp Special Revenue Bonds    | 40.000              |
| 07/13/09  | Miami-Dade Co-Florida             | Pro Sports Facilities Rev Bonds      | 100.000             |
| 07/01/09  | Miami-Dade Co-Florida             | Sports Facs Tax Rev Ref Bonds        | 10.220              |
| 07/01/09  | Miami-Dade Co-Florida             | Sports Facs Tax Rev Ref Bonds        | 198.970             |
| 06/03/09  | Greater Orlando Aviation Auth     | Airport Facilities Ref Rev Bonds     | 11.275              |
| 06/03/09  | Greater Orlando Aviation Auth     | Airport Facilities Ref Rev Bonds     | 98.550              |
| 05/20/09  | Miami City-Florida                | Limited Ad Valorem Tax Bonds         | 51.055              |
| 03/20/09  | Florida State Board of Education  | Lottery Revenue Bonds                | 300.000             |
| 03/11/09  | District of Columbia              | Income Tax Secured Revenue Bonds     | 801.330             |
| 12/05/08  | Sarasota Co-Florida               | Infras Sales Surtax Rev Bonds        | 69.895              |
| 09/12/08  | Sarasota Co-Florida               | Infra Sales Surtax Revenue Bonds     | 73.995              |
| 08/18/08  | Palm Beach Co-Florida             | Public Improvement Revenue Bonds     | 176.585             |
| 08/13/08  | District of Columbia              | General Obligation Bonds             | 327.905             |
| 08/13/08  | District of Columbia              | GO Refunding Bonds                   | 151.615             |
| 06/19/08  | Florida Citizens Prop Ins Corp    | Senior Secured Bonds                 | 250.000             |
| 06/19/08  | Florida Citizens Prop Ins Corp    | Senior Secured Bonds                 | 1,500.000           |
| 04/16/08  | Orlando Utilities Commission      | Utility System Rev & Ref Bonds       | 200.000             |
| 01/30/08  | Miami-Dade Co SD                  | RANS                                 | 66.000              |
| 10/24/07  | Ocala City-Florida                | Utility System Rev & Ref Bonds       | 87.950              |
| 10/10/07  | Orlando City-Florida              | Capital Imp Special Revenue Bonds    | 58.905              |
| 09/25/07  | Florida Hurricane Catastrophe Fin | Floating Rate Notes                  | 3,500.000           |
| 07/27/07  | Florida Dept of Transportation    | St Infrastructure Bank Rev Bonds     | 61.275              |
| 05/23/07  | Miami-Dade Co School Board        | Certificates of Participation        | 90.825              |
| 02/28/07  | Palm Beach Co School Board        | Ref Certificates of Participation    | 192.310             |
| 07/20/06  | Florida Hurricane Catastrophe Fin | Extendible Floating Rate Notes       | 2,800.000           |
| 07/13/06  | Broward Co-Florida                | Sports Fac Tax Rev Ref Bonds         | 52.475              |
| 07/13/06  | Broward Co-Florida                | Sports Fac Tax Rev Ref Bonds         | 124.290             |
| 06/28/06  | Florida Citizens Prop Ins Corp    | High Risk Sr Secured Rev             | 3,050.000           |
| 06/21/06  | Palm Beach Co-Florida             | GO Refunding Bonds                   | 115.825             |
| <b>57 Senior or Co-Senior Managed Transactions Totaling:</b>                |                                   |                                      | <b>\$20,975.512</b> |

\* Preliminary, subject to change

Since joining Jefferies, **Patti Grant-Wilkinson** has senior managed transactions for the University of Connecticut, Jacksonville (FL), Virginia Resources Authority and the District of Columbia (pending). Please refer to the case studies below for highlights of two recent financings led by Patti. Patti previously served as bond and underwriters' counsel for 24 years for state and municipal entities and has worked on over 500 transactions in connection with the issuance of \$32 billion in tax-exempt bonds. Patti received her BA with honors from Georgetown University and her Juris Doctorate from Georgetown University Law Center. Patti is FINRA Series 52, 53, and 63 licensed.

|   |   |
|---|---|
|  <p><b>Virginia Resources Authority</b><br/> <b>\$104,275,000</b><br/> <b>Clean Water State Revolving Fund Revenue Bonds</b><br/> <b>Refunding Series 2013</b><br/> Ratings: Aaa/AAA/AAA<br/> Pricing Dates: May 30, 2013<br/> Delivery Date: June 20, 2013</p> <p><b>Jefferies</b></p>  | <p>As part of the marketing process, Jefferies helped VRA launch its initial deal-related investor outreach program by organizing nine one-on-one investor calls before and after the Memorial Day Holiday. This was VRA's first experience with one-on-one investor calls as part of a bond transaction. VRA found the experience helpful not only in selling its credit but also in receiving investor feedback that will help to shape its future disclosure. Between the May 17 posting of the POS and the May 30 pricing, the municipal market significantly underperformed as the 10-year Treasury increased +17 bps while the 10-year MMD increased +25 bps. Despite these difficult conditions, Jefferies was able to successfully price the refunding, generating 1x to 3x subscription for each maturity, and was able to achieve one of VRA's primary objectives of expanding its buyer base. Of the 24 separate investors who placed \$240 million of orders, 18 institutions represented new investors to VRA's Clean Water Program with \$140 million of submitted orders.</p>  |
|  <p><b>University of Connecticut</b><br/> <b>\$87,980,000</b><br/> <b>Special Obligation Student Fee Revenue Bonds</b><br/> <b>2012 Refunding Series A</b><br/> Ratings: Aa2/AA-<br/> Pricing Dates: November 21, 2013<br/> Delivery Date: December 13, 2012</p> <p><b>Jefferies</b></p> | <p>In 2012, Jefferies senior managed a refunding for the University of Connecticut supported by student fee revenues. In response to the State's expressed desire to compress the transaction timeline and price before Thanksgiving, the entire financing schedule was accelerated.</p> <p>Jefferies developed a broad marketing campaign involving print and online advertisements in over 30 national and regional newspapers resulting in \$23 million bonds placed by retail investors and oversubscription of several of the maturities. Although Treasury yields increased by 4-5 basis points from the prior close and stocks improved as a result of the Gaza cease-fire news, Jefferies was able to maintain or reduce yields across the board due to our strong book of orders. Jefferies elected to underwrite a portion of the bonds to maintain strong and improved pricing levels during a period of record low rates. To maximize refunding efficiency, on the day of pricing, Jefferies analyzed negative arbitrage and present value savings on a per maturity basis. UConn refunded those maturities with negative arbitrage representing less than 50% of present value savings. UConn achieved 2.48% of all in True Interest Cost, the lowest interest rate for a single bond issue in the history of the UConn 2000 program, \$31.9 million of gross debt service savings through 2029 and \$27 million of present value savings, or 25% of refunded par.</p> |


**Mark Widener, Utility Financing Specialist**, recently served as senior manager for three Florida water and sewer transactions: a \$242 million refunding for Orlando Utilities Commission and two transactions for JEA: a \$72.5 million new money transaction and a \$178 million refunding. Please refer to the case studies below for brief descriptions of these transactions. Prior to joining Jefferies, Mark was the Head of the Southeast and Gas Prepay Groups at Merrill Lynch and has been covering municipal issuers for 18 years. Mark has executed over 150 transactions totaling more than \$10 billion in par amount for utility issuers and received his Bachelors of Business (Finance) from Georgia State University and his M.B.A. (Finance) from Mercer University. His licenses include FINRA Series 7, Series 53 and Series 63.

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|  <p><b>\$72,460,000</b><br/> <b>Bulk Power Supply System</b><br/> <b>Scherer 4 Project Issue</b><br/> <b>Series 2014A</b></p> <p>Ratings: Aa2/AA-/AA<br/> Pricing Date: March 5, 2014</p> <p><b>\$136,725,000</b><br/> <b>Water and Sewer System</b><br/> <b>Revenue Bonds, 2012 Series</b><br/> <b>\$41,640,000 Water and</b><br/> <b>Sewer System Subordinated</b><br/> <b>Revenue Bonds</b><br/> <b>2012 Series B</b></p> <p>Ratings: Aa2/AA-/AA<br/> Pricing Date: July 11, 2012<br/> Dated Date: August 16, 2012</p> <p><b>Jefferies</b></p> | <p>Jefferies recently served as Senior Manager on JEA's \$72 million Bulk Power Supply System Revenue Bonds, Scherer 4 Project Issue. JEA and Jefferies worked closely to structure the transaction exclusively with a 5-year call (4/1/2019). The transaction was structured with par-ish to slight discount bonds in order to minimize JEA's borrowing costs. Over \$69 million in retail orders were placed or over 95% of the total transaction, of which nearly \$50 million were orders placed by Jefferies.</p> <p>Jefferies was able to price the transaction at similar spreads to MMD as JEA's previous electric transaction (January 2014) despite a decrease in MMD of approximately 25 basis points and a call feature 6 months earlier than the previous transaction. As a result of the transaction, JEA saved over \$15 million in PV savings or 20.07%.</p> <p>This was the second Jefferies' senior managed financing for JEA since our appointment to its underwriting pool in July 2011. In July 2012, Jefferies lead managed a \$178 million refunding on behalf of JEA's water and sewer system. Jefferies worked closely with JEA to create a structure that maximized JEA's optionality and NPV savings. The structure included 5-year and 9.5-year call features, with par-ish, premium and discount bonds.</p> <p>Jefferies targeted a diverse investor base to ensure that the bonds were well placed on the street. As a result, over \$135 million in retail orders were placed or 75% of the total transaction, of which \$71.7 million was placed by Jefferies. Excluding retail, over 25 investors participated on this transaction, including insurance companies, bond funds, asset managers, and arbitrage accounts. As a result of the transaction JEA saved over \$16.15 million in PV savings.</p>  |
|  <p><b>\$241,925,000</b><br/> <b>Utility System Revenue</b><br/> <b>Refunding Bonds</b><br/> <b>Series 2013A</b></p> <p>Ratings: Aa2/AA/AA<br/> Pricing: November 20, 2012</p> <p><b>\$100,000,000</b><br/> <b>Series 2008-2</b></p> <p>Ratings: VMG1/A-1+/F1+<br/> Remarketing Date: April 7, 2011<br/> Dated Date: April 7, 2011</p> <p><b>Jefferies</b></p>  | <p>Jefferies served as Senior Manager for OUC's \$242 million Utility System, Series 2013A transaction in November 2012. We worked closely with OUC to lock-in historically low interest rates and achieve \$43.2 million in PV savings (\$291 million bonds refunded) as well as to fix-out OUC's Multi-Modal Series 1996A bonds that were subject to a mandatory tender on 10/1/2013, at an all-in TIC of 1.912%.</p> <p>After the POS mailed on Friday, November 16<sup>th</sup>, the financing team elected to accelerate the transaction by a week to November 20<sup>th</sup> due to favorable market conditions. As part of our marketing effort, Jefferies worked closely with OUC on an internet roadshow that was viewed by 15 investors. Jefferies also scheduled 7 one-on-one conference calls between OUC and investors the day prior to pricing.</p> <p>The bonds were extremely well received, pricing with no penalty for a delayed delivery of 8 weeks between pricing and closing. \$121 million in retail orders were received and the transaction was oversubscribed by 5.45x. Jefferies was able to bump yields by up to 8 bps. OUC will save over 18.7% on the aggregate refunding.</p> <p>Jefferies also serves as remarketing agent to OUC for \$100 million of variable rate bonds. The Jefferies team routinely presented alternative variable rate financing strategies to OUC as a result of expiring LOCs. After consideration, OUC mandated Jefferies to take-over a portion of the Series 2008 Bonds from Goldman Sachs as Remarketing Agent. Since assuming the remarketing, average reset rates on the Jefferies tranche have averaged -1 bps lower than SIFMA versus SIFMA flat prior to the takeover demonstrating the value of adding Jefferies as remarketing agent. Jefferies' focus on the client and priority to reset at the lowest rates possible has greatly benefitted OUC.</p> |



**Bill Torsiglieri, head of Jefferies' Municipal Quantitative Analysis Group**, has over 32 years of experience structuring over \$25 billion of municipal issues and would lead the development of proprietary financial models using linear programming techniques to structure tailor-made optimal financial results for the City. Bill is a Computer Science graduate of Harvard College and is FINRA Series 7, 53, and 63 licensed.

Of particular note, Bill is one of Jefferies' lead bankers to the New York State Environmental Facilities Corporation and was integral in the development of their new master financing indenture described in the case study below.

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| <p style="text-align: center;"><b>NYW</b></p> <p style="text-align: center;"><b>\$661,745,000</b></p> <p style="text-align: center;"><b>New York City Municipal Water Finance Authority</b></p> <p style="text-align: center;"><b>Water and Sewer System Second General Resolution Revenue Bonds Series FF and GG</b></p> <p style="text-align: center;"></p> <p style="text-align: center;"><b>316,799,000</b></p> <p style="text-align: center;"><b>New York State Environmental Facilities Corporation</b></p> <p style="text-align: center;"><b>State Clean Water and Drinking Water Revolving Funds Revenue Bonds Series 2012D</b></p> <p style="text-align: center;">NYW Ratings: Aa2/AA+/AA+<br/>Pricing Dates: June 19, 2012<br/>Delivery Date: June 28, 2012</p> <p style="text-align: center;">NYS EFC Ratings: Aaa/AAA/AAA<br/>Pricing Date: June 25, 2012<br/>Delivery Date: July 12, 2012</p> <p style="text-align: center;"><b>Jefferies</b></p> | <p>In June 2012, Jefferies served as Book-running Senior Manager for NYW's \$661 million transaction. The financing plan was devised by Jefferies bankers to include new money and advance refunding bonds issued in a common plan of finance with NYW's SRF loan to be sold through the NYS Environmental Facilities Corporation. The Jefferies plan resulted in incremental savings over a traditional refunding of \$18 million and reduced the bonds necessary to be issued by \$250 million. In summary, the plan used the combined bond yield and the negative arbitrage in the escrow to mitigate a transferred proceeds penalty and permit NYW to retain subsidy earnings on its SRF loan which would have otherwise been subject to federal rebate.</p> <p>Market conditions in mid-June were generally soft as investors were cautious ahead of looming supply and a consensus that tax-exempt rates had become overextended. On June 18, Jefferies began a retail order period which generated over \$133 million of retail orders and allowed three of the transaction's 11 maturities to be closed out. The \$50 million of Series GG bonds, issued as NYW's refundable principal installment (RPI) bonds, were both 1.3x over-subscribed and yields were reduced by 5 basis points. NYW's RPI bonds are 5-7 year bonds which will be refinanced and extended prior to maturity and the Series GG pricing spreads of MMD -4 and -3 basis points were the lowest ever for this Aa2/AA+/AA+ credit. The following day, the institutional order period was conducted for the unsold portion including \$400 million of the 2045 maturing bonds. Of particular note, Jefferies was able to sell \$150 million of 4% coupon bonds that resulted in 29 basis points lower yield to maturity than the 5% coupon bonds. The order period resulted in a 1.3x over-subscription and permitted a 1 basis point bump in the \$400 million of bonds in 2045. Despite the deteriorating market tone, Jefferies placed \$10 million bonds into inventory and supported the transaction in the secondary market. The refunding component saved 10% or \$22.7 million on a PV basis. Combined with the Jefferies led NYW SRF financing, the financing plan saved over \$86 million.</p> |
|---|---|

### C. ORGANIZATION OF PROJECT TEAM AND CURRENT WORKLOAD

| Finance Team Leaders   | Specialty Bankers   | Support Team   |
|--|---|--|
| <b>Rawn Williams</b><br>■ Managing Director<br><i>Co-Team Leader</i><br>■ 22 Years Experience<br><b>Orlando, FL</b>                | <b>Mark Widener</b><br>■ Managing Director<br><i>Utility Financing Specialist</i><br>■ 20 Years Experience<br><b>Atlanta, GA</b>      | <b>Marquita Jackson</b><br>■ Vice President<br><i>Banking Coverage</i><br>■ 8 Years Experience<br><b>Atlanta, GA</b> |
| <b>Patti Grant-Wilkinson</b><br>■ Senior Vice President<br><i>Co-Team Leader</i><br>■ 25 Years Experience<br><b>Washington, DC</b> | <b>Bill Torsigieri</b><br>■ Managing Director<br><i>Head of Quantitative Analysis</i><br>■ 32 Years Experience<br><b>New York, NY</b> | <b>Tamaa Patterson</b><br>■ Associate<br><i>Banking Coverage</i><br>■ 3 Years Experience<br><b>Orlando, FL</b>       |

| Underwriting, Sales & Trading   |
|---|
| <b>Jim McGinley</b><br>■ Managing Director<br><i>Head of Municipal Securities Markets</i><br>■ 22 Years Experience<br><b>New York, NY</b> |
| <b>Roy Carlberg</b><br>■ Managing Director<br><i>Head of Long-Term Underwriting</i><br>■ 22 Years Experience<br><b>New York, NY</b>       |
| <b>Drew Levinson</b><br>■ Managing Director<br><i>Tax-Exempt Sales Manager</i><br>■ 33 Years Experience<br><b>New York, NY</b>            |
| <b>Garrett Falzone</b><br>■ Managing Director<br><i>Head of Credit Analysis</i><br>■ 19 Years Experience<br><b>New York, NY</b>           |
| <b>Betty Infantes</b><br>■ Senior Vice President<br><i>Head of Short-Term Origination</i><br>■ 23 Years Experience<br><b>New York, NY</b> |
| <b>Steve Anderson</b><br>■ Managing Director<br><i>Head of Taxable Sales</i><br>■ 18+ Years Experience<br><b>New York, NY</b>             |
| <b>Chris White</b><br>■ Senior Vice President<br><i>Credit Analysis</i><br>■ 19 Years Experience<br><b>New York, NY</b>                   |

Jefferies' Finance Team is committed to serving the City as its senior manager and is committed to providing exceptional investment banking services to ensure the lowest possible borrowing cost. Our Finance Team includes our most experienced professionals with a proven record of structuring and pricing transactions for a variety of issuers similar to the City of Hollywood. The organization of our Finance Team is illustrated in the table above.

Jefferies bankers assigned to serve the City are currently engaged in the following financings that are scheduled to close prior to the end of September. We believe that the workload presented below will enable our bankers to dedicate the necessary resources and attention to the City to ensure a successful pricing at the lowest cost of capital for the City's proposed transactions. Our team will work as many hours as it takes to complete the services requested by the City. The City of Hollywood is a client of high importance to Jefferies and we look forward to the opportunity to provide the City with comprehensive and strategic coverage not only of the City's proposed transactions but also in developing and implementing long-term strategic objectives.

| Jefferies' City of Hollywood Finance Team Current Workload<br>(Senior or Co-Senior Managed Transactions) |                             |               |                      |
|--|-----------------------------|---------------|----------------------|
| Issuer   | Par Amount*(\$ in millions) | Closing Date* | Role                 |
| District of Columbia GO  | 500.000                     | May 2014      | Co-Senior            |
| Dormitory Authority of the State of NY   | 210.000                     | June 2014     | Joint Senior Manager |
| City of Orlando  | 60.000                      | August 2014   | Lead                 |

## D. MUNICIPAL STAFF SUPPORT

**Responsibilities of Management and Staff Personnel.** The City's officials and staff will receive exceptional coverage from our team. From a day-to-day and transaction-by-transaction standpoint, our finance team will be dedicated to providing the most efficient and cost effective financing possible. The following responsibilities are representative of the services that our team will provide in the role of senior manager. As a financing is defined, those responsibilities may be expanded to provide the highest level of service to the City given the nature of the proposed financing.

| Finance Team Members' Responsibilities      |  |   |
|---|--|---|
| Group                                       | Professionals  | Responsibilities Include  |
| Team Leader                                 | Rawn Williams  | <ul style="list-style-type: none"> <li>Identify market and financing opportunities for the City</li> <li>Develop recommendations related to new financing initiatives</li> <li>Manage the deployment of Jefferies' vast resources in serving the City</li> </ul>                                      |
| Financing Specialists and Core Support Team | Patti Grant-Wilkinson<br>Marquita Jackson<br>Tamaa Patterson   | <ul style="list-style-type: none"> <li>Develop rating agency and investor presentations</li> <li>Develop debt management strategies</li> <li>Review documentation</li> <li>Execute transactions and support banking efforts</li> </ul>  |
| Quantitative Analysis Group                 | Bill Torsiglieri, Quantitative Financing Specialist  | <ul style="list-style-type: none"> <li>Develop quantitative financing solutions for the City's debt programs</li> </ul>   |
| Underwriting, Sales and Trading             | Jim McGinley (Head of Municipal Markets)<br>Roy Carlberg (Long-Term Underwriting)<br>Betty Infantes (Short-Term Origination)<br>Drew Levinson (Tax-Exempt Sales Manager)<br>Steve Anderson (Taxable Sales Manager) | <ul style="list-style-type: none"> <li>Communicate detailed and up-to the minute market developments</li> <li>Develop marketing plan for the City's bonds</li> <li>Underwrite the City's bonds and commit capital</li> <li>Identify new investors for the City's bonds</li> </ul>                     |
| Credit Analysis                             | Garrett Falzone<br>Chris White   | <ul style="list-style-type: none"> <li>Provide investor education and communication program for the City's bonds</li> <li>Develop sales force material regarding upcoming financings, market trends and market events</li> <li>Assist with rating agency and credit enhancement strategies</li> </ul> |

## E. FAILURE TO COMPLETE AWARDED FINANCINGS

Jefferies Municipal Securities Group has not failed to complete any work that has been awarded to our Firm.

## F. TERMINATED CONTRACTS

Jefferies Municipal Securities Group has not been terminated from a contract.



## 7. PROJECT UNDERSTANDING, PROPOSED APPROACH AND METHODOLOGY

- a.) Describe your approach to performing the contracted work. This should include the following points:
- b.) Discuss your project plan for this engagement outlining mayor tasks and responsibilities, time frames and staff assigned.
- c.) Describe the marketing approach your firm would recommend for the issuance of General Obligation, Water and Sewer and Refunding bonds.
- d.) Provide case studies for financings completed by your firm in the past three (3) years. Describe any unique challenges encountered and the results.
- e.) Describe investor relations approaches your firm would recommend to the City.
- f.) Given the final maturities of potential City refunding bonds, if your firm provides fixed rate, non-bank qualified loans, please include such analysis in your response.

### A. APPROACH TO ASSIGNMENT

As the Jefferies motto states: "Clients First – Always," our project approach begins and ends with the City of Hollywood. Jefferies has developed a reputation as a creative, problem solving firm that invests time and energy to understand our clients' challenges, goals and objectives. Our issuer clients will attest to the fact that when Jefferies is a member of their underwriting teams, our commitment to excellence and hard work increases competition and thereby the flow of ideas among the underwriting group – all to the benefit of our clients. While our larger competitors may differentiate themselves by retail offices and/or capital, Jefferies chooses to differentiate ourselves by the level of service that we provide to our clients through the introduction of novel ideas and creative credit/marketing strategies. As a member of the City's underwriting team, we will be committed to adding value and developing solution oriented ideas. Our project approach for the City can be described in three pillars:

1. Understand the Goals of the City
2. Develop Innovative Financing Ideas
3. Implement a Superior Marketing Strategy

**Understanding the Goals of the City.** As mentioned in our cover letter, the City is an important client to Jefferies. Over the last four years, Jefferies has provided the City with numerous unsolicited proposals (see summary in Appendix B), met with City officials, and attended City Commission meetings to demonstrate our active coverage of the City and our attention to the City's needs. We continue to stay updated with the City's financial standing and economic development initiatives. Similar to many municipalities across the nation, the City was significantly impacted by the credit crisis of 2008. The City's fund balance reached a low of \$4.3 million in 2011. Moody's reacted to the City's financial distress and downgraded the City from Aa2 to A1. Since then, the City has implemented several strategies to improve its finances including pension reforms, the hiring of seasoned finance director and a declaration of financial urgency to renegotiate labor contracts. As a result, the City has mounted a strong comeback with the fund balance increasing over 800% to \$37.8 million as of FY2013. Also the City's 2014 taxable values grew modestly showing signs of the recovery of the local housing market. In addition, the City has been addressing its increasing pension costs. The City's general fund pension contribution increased from \$15.8 million in 2005 to \$36.1 million in 2012. By a voter referendum, the City was able to reduce pension benefits for new employees and the City's general fund pension contribution has decreased to \$29.7 million as of 2013.

Another method by which the City can reduce its overall fixed expenses and continue on its path toward a stronger financial position is to refinance existing debt with lower interest rates. Below we offer financing ideas that leverage current market conditions and provide cost saving opportunities for the City.

**Developing Innovative and Insightful solutions.** Over the last several years, Jefferies has provided the City with several strategies to extract the call value from both its Water & Sewer and GO bonds. Ideas presented included: cancelable forward refunding, forward refunding, advance refunding, and current refunding opportunities. As a part of our response to this RFP, we have provided refunding analyses for the City's Water and Sewer, General Obligation Bonds, and Community Redevelopment Bonds. A summary of each credit's refunding analysis is explained below followed by a chart of the refunding results.

**Water and Sewer Refunding and Improvement Revenue Bond Refunding.** The City has \$61.345 million of Series 2003 Water and Sewer Bonds outstanding that are currently callable. In today's market, the City could refund \$54.91 million of the bonds for approximately \$7.2 million in present value savings or 13.05% of refunded par. Average annual cash flow savings would be approximately \$850,000. Jefferies has assumed that the City would make the 10/1/2014 principal and interest payment for the unrefunded 2014 maturity.

**General Obligation Refunding.** The City has \$47.720 million of outstanding Series 2005 General Obligation Bonds that are callable on 6/1/2015 at par. Of the \$47.720 million of Series 2005 Bonds outstanding, approximately \$44.175 million are callable. In the current market, the City could advance refund the callable Series 2005 Bonds and generate approximately \$3.3 million in present value savings or 7.40% of refunded par. Average annual cash flow savings would be approximately \$209,000. Since the City could opt to wait until the call date to refund the Series 2005 GO Bonds, Jefferies has analyzed a hypothetical current refunding for comparison purposes. If the City decided to wait until the call date to current refund the bonds and current interest rates and credit spreads remain the same, the City would generate \$4.6 million in present value savings or 10.43% of refunded par. The results show that by advance refunding the bonds in the current market, the City could achieve 71% of the present value savings expected from a hypothetical current refunding assuming interest rates and credit spreads remain constant. Furthermore, if rates do increase by more than 41 bps over the next 10 months (we assumed the bonds are called on 3/3/2015, 90 days before the call date), the City would generate more present value savings by advance refunding the bonds in the current market. We should further note that 10-year MMD (which represents the approximate average life of the refunded bonds) is currently at 2.41% which is 38 bps below its level of 2.79% at the beginning of the year. Further, 10-year MMD was as high as 3.04% in September of 2013, less than 10-months ago.

**Community Redevelopment Agency (Beach CRA).** The City has \$12.63 million of Series 2004 Community Redevelopment Agency Revenue Bonds outstanding that are currently callable. In today's market, the City could refund all of the outstanding bonds for approximately \$1.6 million in present value savings or 12.51% of refunded par. Average annual cash flow savings would be approximately \$180,000.

|                                | Water and Sewer    | General Obligation | Beach CRA          | Total               |
|--------------------------------|--------------------|--------------------|--------------------|---------------------|
| Refunded Series                | 2003               | 2005               | 2004               | -                   |
| Refunded Par                   | \$54,910,000       | \$44,175,000       | \$12,630,000       | \$111,715,000       |
| Refunded Maturities            | 2015-2023          | 2016-2030          | 2015-2024          | -                   |
| Refunded Coupons               | 4.000%-5.000%      | 4.250%-5.000%      | 5.625%             | -                   |
| Dated/Delivery Date            | 9/1/2014           | 10/1/2014          | 9/1/2014           | -                   |
| Refunding Bonds                | \$48,430,000       | \$41,270,000       | \$11,650,000       | \$101,350,000       |
| Refunding Yields               | 0.300%-2.640%      | 0.650%-3.600%      | 0.590%-3.340%      | -                   |
| All-in TIC                     | 2.130%             | 3.357%             | 3.017%             | -                   |
| Arbitrage Yield                | 1.942%             | 2.952%             | 2.632%             | -                   |
| Escrow Yield                   | n/a                | 0.050%             | n/a                | -                   |
| Avg. Annual Savings            | \$850,000          | \$209,000          | \$180,000          | \$1,239,000         |
| <b>PV Savings (\$)</b>         | <b>\$7,168,461</b> | <b>\$3,268,096</b> | <b>\$1,579,661</b> | <b>\$12,016,218</b> |
| <b>PV Savings (%)</b>          | <b>13.05%</b>      | <b>7.40%</b>       | <b>12.51%</b>      | <b>10.76%</b>       |
| <b>Negative Arbitrage (\$)</b> | <b>\$865,046</b>   | <b>\$865,046</b>   | <b>\$27,625</b>    | <b>\$1,757,717</b>  |

Rates as of 4/28/2014

COI: \$10-\$20 per bond

**Structural Enhancements. Up-front Savings.** As an alternative to level savings, the City could structure the above refundings for upfront savings and generate approximately \$11.8 million of debt service savings over the next two to three years. The upfront cash flow savings can be used for various approved expenditures. For example, the City could use the \$7.1 million upfront savings generated by the Water and Sewer refunding to offset the costs of the capital projects under the \$190 million of Department of Public Utilities capital plan for FY 2014-2018. The chart below highlights the potential gross savings generated using this structure.

|                                   | Water and Sewer    | General Obligation | Beach CRA          | Total               |
|-----------------------------------|--------------------|--------------------|--------------------|---------------------|
| <b>Up-front Savings Generated</b> | <b>\$7,066,935</b> | <b>\$3,214,313</b> | <b>\$1,558,713</b> | <b>\$11,839,960</b> |

**Short-calls.** In the current market, there has been growing interest in issuing bonds with shorter call periods. One advantage to issuing bonds with shorter call dates is that advance refunding candidates generate lower negative arbitrage in the current market of low Treasury rates used to escrow bonds until maturity. In exchange for a shortened call period, issuers may be expected to pay a higher yield to attract investors. The decision to issue bonds with shorter calls should be analyzed in the days leading up to pricing to determine the potential benefit. Jefferies would work with the City and its advisors to assess the market and the advantages of bonds with shorter call dates.

**Downtown District CRA.** The City's Promissory Note, Series 2006A has an outstanding amount of approximately \$12.6 million as of 9/30/2013. When the variable rate note was issued in 2006, the City entered into a fixed payer swap with an equal notional amount. The swap has a termination date of 11/1/2022. Based on the terms of the swap, the City pays a fixed rate of 7.075% and receives 1-month LIBOR plus 1.75%. Given the relatively high interest rate paid on the swap and the historically low interest rates in the current market, Jefferies recommends that the City explore shortening the tenor on the swap or terminating the swap entirely. A complete analysis would require details on the financed project, the documents related to the Series 2006A Note and the swap with Bank of America. To the extent that the City should desire to analyze shortening or terminating the swap, Jefferies can be readily available to complete such an analysis.

**B. Project Timeline and Responsibilities.** As senior manager for the refunding transactions highlighted above, Jefferies provides the following table as a suggested timeline. Of course, as circumstances dictate, the time line can be adjusted to match the City's requirements.

| Milestone  | Description   | Timeframe | Responsible Party                  |
|--|---|-----------|------------------------------------|
| <b>Development of Initial Financing Plan</b>     | Development of financing timetable and establishment of working group. Reach a common understanding of the City's financing goals and structure.  | Week 1-2  | City<br>Jefferies                  |
| <b>Documentation Review</b>                      | Working with the City's financing team, including bond counsel and disclosure counsel, we will review and advise on legal documents. In addition, the development and review of the offering document, tax analysis, and various underwriting documents (such as the Bond Purchase Agreement) will be an essential component to services provided. For transactions backed by letters-of-credit, we will review and make recommendations to those documents as well.  | Week 2-3  | City<br>Jefferies<br>Working Group |
| <b>Development of Credit Rating Presentation</b> | For the City's bond offerings, a credit presentation to the rating agencies will be a valuable endeavor. Jefferies, in coordination with the financing team, will develop the presentation materials and make strategic recommendations related to the process.   | Week 2-3  | City<br>Jefferies                  |
| <b>Development of Marketing Plan</b>             | Our underwriting and sales professionals will develop a target list of investors for the City's transaction. The target list will include the goals for retail and institutional distribution, the opportunity to attract new investors to the City's bonds, the targeted investors in each part of the yield curve, the targeted investors from each major class of investors, investor tendencies in regard to coupon structure and other nuances of the market strategy. When we identify an opportunity for the City, we will recommend and coordinate an institutional investor presentation and one-on-one conference calls with investors in order to maximize demand.   | Week 3-4  | City<br>Jefferies                  |
| <b>Finalizing Structure</b>                      | Based on results of credit review and investor reception, there may be opportunities to refine the structure for the benefit of the City. For instance, the opportunity to improve the early redemption provisions or issue insured maturities of the bonds can be a beneficial option.   | Week 5    | City<br>Jefferies<br>Working Group |
| <b>Active Marketing and Underwriting</b>         | Based on the market reception, the Jefferies underwriting desk will recommend coupons and yields for the distribution of the City's bonds. We will also make recommendations regarding the retail order period, the length of time for the order period, and the use of term bonds. We will have a firm handle on the value of the City's debt and aggressively seek to achieve the best price on behalf of the City. Should a situation arise where we feel investors are not providing full value for the City's debt, Jefferies has been prepared to take-down, or underwrite, all or a portion of the bond sale at levels satisfactory to the City. While the goal of the marketing process will be to fully distribute the debt to retail and institutional investors, the City should be aware that to support our clients financing objectives, Jefferies will often underwrite bonds rather than cheapen price. | Week 5-6  | ALL                                |
| <b>Post-Sale and Closing</b>                     | In addition to the typical documentation process associated with the bond sale, Jefferies will provide full post-sale support to the City. This may include additional analytical analysis such as the breakdown of bonds into projects which may be a necessary part of the City's bonding process. Additionally for a refunding, Jefferies will be sure to coordinate activities between the trustee, escrow agent, DTC and bond counsel to ensure that the bonds are refunded properly.  | Week 7    | City<br>Jefferies                  |

## C. MARKETING APPROACH AND E. INVESTOR RELATIONS

**Jefferies' Customized Marketing Strategy and Distribution Capabilities.** As senior manager for the City of Hollywood, one of Jefferies' primary objectives will be to assist the City and its financial advisors in developing its credit "story" for marketing purposes and then broadcasting that story far and wide to current and prospective investors. This story will be particularly important since the City is an infrequent issuer and has not been in the market for its general obligation or water and sewer credits since 2010. In addition to promoting the City to investors, Jefferies will also work with the City and its financial advisor in developing its presentation for the rating agencies. Increased investor interest and improved ratings both translate into a lower cost of funds for the City. It is our goal to minimize the City's borrowing cost so that the City can deploy the dollars saved from its financings to meet other important City goals.

A targeted marketing strategy is essential in setting the tone of investor interest and establishing a strong reception to the City's credits in the municipal market. Jefferies has developed an enhanced, customized marketing approach for the City to attract investors. Our marketing strategy is designed to strengthen existing investor relationships and broaden the investor base by creating new investor relationships. In addition, our customized strategy promotes the visibility of the City among investors by advertising the upcoming financings on the City's webpage, in print and internet ads and developing a personalized presentation that highlights the upcoming financings. As the City is aware, there is a direct correlation between the number of investors participating in a transaction and the cost of funds secured. With more investor participation, the City will realize a lower borrowing rate. Jefferies' tried and true approach for reaching out to current and potentially new investors involves intensive research into identifying and generating the most extensive and broadest investor list as possible. Jefferies' customized marketing plan will focus on three primary objectives:

- (1) Implement investor education and outreach strategies;
- (2) Maximize retail participation; and
- (3) Broaden the institutional buyer base to increase liquidity and decrease spreads.

**INVESTOR EDUCATION/OUTREACH.** In many instances, transactions are priced based on what large, well-known investors are willing to take in coupon and yield rather than being based on an issuer's credit profile and market dynamics. Jefferies' goal in the distribution process is to effectively price our clients' bonds by educating investors with real time information that focuses on the key strengths of the credit and the relative trading value of the credit compared to similarly situated credits. Our Firm believes the investor education process assists in optimally pricing an issuer's transaction. Investor education is particularly relevant to the City as it has been several years since the City's Water and Sewer and General Obligation credits have been in the negotiated market. The current municipal bond market is categorized by a lack of supply. Year-to-date tax-exempt primary market supply is lower versus this time last year leaving a considerable amount of investor cash sitting on the sideline. Recent municipal offerings have been met with tremendous demand both from institutional and retail investors. The City's bonds would be well-received given the deficiency of high quality municipal paper in the market. Our credit team is in place to directly interface with investors and become the City's advocate during pricing and distribution. The goal of our investor education process is to ensure the pricing of the City's bonds is based on the strength of the City's credit versus the perceived value of the City's credit from top investors.

Garrett Falzone, the head of our Credit Strategy & Analysis group, has over 19 years of municipal credit experience including experience at Blackrock in the high yield municipal credit group. Garrett will be assisted by Chris White. Chris has 18 years of credit experience and was a rating analyst at Moody's Investors Service for over three years. Distinguishing us from other firms, Jefferies' first in class market analysis and credit strategy initiatives provide investors with hard factual analysis that aids in a successful and more effective marketing and distribution process.

Working together with the City and its advisors Jefferies will leverage the capabilities of our credit strategy team in marketing the City's bonds. As the City prepares to issue bonds in the public market, it will be important for the City to highlight the important improvements in its financial management. As mentioned previously, the City has made considerable improvements to its overall financial position by developing a balanced budget for the last two years, rebuilding its reserves and instituting pension reforms. While actively engaging investors with valuable information that focuses on positive developments in the City, we further recommend that the City consider the following investor outreach strategies to improve the distribution of its bonds:

**Internet Roadshow.** It is common for issuers to utilize a roadshow presentation to provide prospective investors with a high level overview of the credit, emphasis on credit strengths, and highlights of the

upcoming financing. The roadshow presentation can be pre-recorded by representatives from the City, with a “live” Q&A period conducted at the end of the recording.

**One-on-One Investor Calls and Meetings.** While other firms may not see the value in the extra effort of conducting investor meetings and/or calls, we have found that having an opportunity to interface on an informal basis with issuers’ leadership and management plays a major role in investors’ investment decisions as well as the price at which they are willing to own bonds. Investors place a high value on the ability to interact with City officials directly. We have seen very positive results from this marketing strategy as presented in the table below. Many of the investors that participated served as large anchor buyers.

| Transaction  | One-on-One                                     | Result                  |
|--|--|-------------------------|
| City of Holland Public Power 3/2014                | 12 investor calls                              | \$60 million of orders  |
| State of Wisconsin 3/2014                          | 6 investor calls                               | \$301 million of orders |
| San Diego County Regional Airport Authority 1/2013 | 12 investor calls                              | \$496 million of orders |
| State of Illinois GO 5/2012                        | 22 investor calls/meetings/ + investor dinner  | \$1.8 billion of orders |
| Mass. Water Pollution Abatement Trust SRF 5/2012   | Investor breakfast                             | \$74 million of orders  |
| Chicago Public Schools GO 10/2011                  | 5 investor calls/ + investor breakfast & lunch | \$109 million of orders |

**Print/Internet Advertisements.** Advertising in regional papers and on the internet has proven effective in enhancing participation of local investors. As many other issuers have done, the City can use its website to provide interested investors with information related to outstanding debt, debt policies, credit ratings, upcoming bond issuances, and how to buy the City’s bonds.

**MAXIMIZE RETAIL PARTICIPATION.** Accessing the retail investor base is an important component of a successful transaction, as maximizing retail is a proven method to capitalizing on the short end of the yield curve, establishing price discovery, and leveraging institutional business. Historically, issuers looked for firms with a large retail presence to assist in the distribution to individual retail investors. In today’s market, however, traditional “mom-and-pop” retail is not the driving force; rather, retail proxies (i.e., asset managers, investment advisors) are the high impact participants. In the current market, over 50% of retail orders for primary market transactions are generated by retail proxies. These professional managers make investment decisions for a myriad of individuals and represent an extremely cost-effective distribution platform for issuer clients. In 2013, 35-40% of Jefferies’ secondary trading volume was with retail proxies. Given our strong historical relationships with retail proxies, we are better positioned than our competitors to deliver cost-effective retail distribution. Jefferies has had great success in accessing the retail market on behalf of our clients as highlighted in the chart below.

| Issuer                         | Dated Date | Par Amount (\$mils) | Retail Sales (\$mils) | Jefferies Retail (\$mils) |
|--------------------------------|------------|---------------------|-----------------------|---------------------------|
| JEA                            | 03/26/2014 | \$72.460            | \$41.34               | \$30.00                   |
| City of New York GO, 2014GH    | 12/19/2013 | \$800.050           | \$194.810             | \$52.415                  |
| Community College District     | 10/22/2013 | \$250.000           | \$65.395              | \$57.80                   |
| Philadelphia Municipal Finance | 09/11/2013 | \$85.050            | \$7.750               | \$7.75                    |
| MA Water Resources Auth.       | 02/27/2013 | \$170.635           | \$153.245             | \$135.92                  |
| San Diego Regional Airport     | 01/30/2013 | \$379.585           | \$285.500             | \$259.10                  |
| Orlando Utilities Commission   | 01/06/2013 | \$241.925           | \$121.105             | \$119.35                  |
| Triborough Bridge & Tunnel     | 01/11/2013 | \$911.160           | \$756.000             | \$465.95                  |

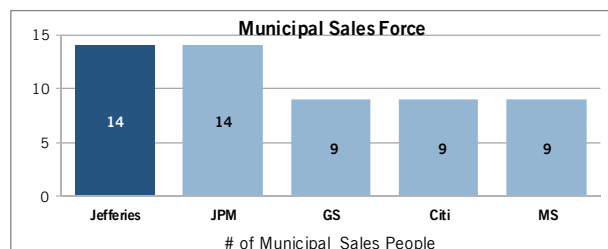
**BROADEN THE INSTITUTIONAL INVESTOR BASE.** As senior manager, Jefferies takes a systematic approach to broadening the City’s institutional investor pool. The City should first look to its current investors to serve as anchor orders for its bond issuances. Jefferies has identified the top holders of the City’s bonds in the chart to the right. The specific credit being used to secure a potential bond issuance can be used to further refine the list of targeted investors. The investors identified have already demonstrated a strong desire for the City’s bonds and will serve as a base from which to begin building interest in future bond issuances. In addition, Jefferies will develop a prospective investor list by focusing on investors that do not hold the City’s bonds but do hold other bonds with similar credit structures and ratings to that of the City. Franklin Templeton, Travelers, BlackRock, Vanguard, Liberty Mutual, and Guggenheim are examples of heavy investors in Florida Water and Sewer, General Obligation, and CRA bonds that do not currently have significant exposure to City. These investors should be targeted for the City’s refunding transactions.

| Top City of Hollywood Bondholders |
|-----------------------------------|
| <b>Water &amp; Sewer Credit</b>   |
| Loews Corporation                 |
| USAA Asset Mgmt.                  |
| State Farm Insurance              |
| <b>General Obligation Credit</b>  |
| State Farm Insurance              |
| Canal Insurance                   |
| Central Mutual Insurance          |
| <b>CRA Credit</b>                 |
| Thornburg Investment              |
| Markel Insurance                  |
| AllianceBernstein                 |



**Distribution Capabilities.** Jefferies' customized marketing plan is supported by our vast distribution system that Jefferies will leverage for the City's financings. Jefferies' key retail and institutional distribution strengths include:

**Institutional Distribution System.** Jefferies has one of the largest and most respected sales forces on Wall Street. Our 14 dedicated municipal sales specialists have an average of 22 years of experience in the industry. The size of our sales force enables us to cover and have an unparalleled access to an institutional and professional retail investor base of more than \$1 trillion in municipal assets. These investors rely on Jefferies' utmost attention to their investment needs, depth of research, and valuable business relationships to achieve their financial goals. The strength of these relationships will translate into stronger demand and therefore, lower interest rates for the City's bonds. Because our sales force is compensated for production, they are eager to interact with investors and sell bonds not only during the primary market bond pricing process, but they also are eager to solicit secondary market trading activity. The frequent interaction of Jefferies' sale force with investors facilitates our sales force having greater market knowledge regarding investors' needs.



**"Mom and Pop" Retail Distribution System.** Jefferies' Private Client Services Group ("PCS") offers direct access to traditional "two-legged" retail investors. This growing group has over \$7 billion of assets under management for high net worth individuals. While we do not have retail brokers in Florida, our Atlanta office is staffed with PCS professionals who will reach out to Florida retail investors, providing them with pertinent information, answering any questions and addressing any concerns that retail investors may have regarding any of the City's future financings. On a recent City of Atlanta transaction for which Jefferies served as co-senior manager, our PCS Group placed 11 true retail orders totaling over \$6 million.

**Local Retail Distribution.** Jefferies encourages local retail participation. We often make local retail the highest order priority, making the bonds available first to investors in Hollywood. Jefferies will also take reverse inquiry requests from our PCS professionals regarding structuring requests from retail investors.

## PENSION DISCUSSION

The City of Hollywood, like many localities, is currently taking steps to address the long term goal of funding its public employee pensions. As stated previously, the City has made tough decisions to reduce the pension benefits for city workers. We also understand that further contract negotiations are still pending with AFSCME. Currently, the City has three major pension systems which are facing low funded ratios, summarized in the following table.

| Pension System <sup>(1)</sup> | UAAL<br><i>Unfunded Actuarial Accrued Liability</i> | Funded Ratio | Annual<br>Required Contributions |
|-------------------------------|---|--------------|----------------------------------|
| General Employee              | \$169,564,667                                       | 56.2%        | \$17,913,508                     |
| Police                        | \$137,626,290                                       | 54.7%        | \$9,265,076                      |
| Fire                          | \$128,769,518                                       | 41.2%        | \$9,584,117                      |

(1) Source: 2013 CAFR

**Strategies to Address Long Term Pension Funding.** The rating agencies' review of the pension funding question has led to a number of published reports over the last several years. The GFOA has also provided a written policy regarding pension funding for municipalities that has considered pension funding bonds. The essence of the rating agency view is twofold – pension funding ratios below 80% are considered a rating concern and any plan to use pension funding bonds to bolster pension funding levels will be looked at in the context of the jurisdiction's overall plan to meet its pension requirements. There are five basic strategies that the City should address in a comprehensive pension funding plan for the long term.

| Strategy                            | Example  | Comment  |
|-------------------------------------|--|--|
| <b>Benefit Reform</b>               | Increase retirement age for full benefits.<br>Increase earliest retirement age.<br>Increase years needed to vest and/or pace at which percentage of benefits is earned.<br>Consider defined contribution plans.  | City already addressing.   |
| <b>Increase Contribution Levels</b> | Increased employer contributions.<br>Increased employee contributions.   | Increased employer contributions have immediate negative impact on the budget.   |
| <b>Revise Actuarial Assumptions</b> | Change in the actuarial rate.<br>Review of actuarial history.<br>Alternate valuation methods.<br><br>Non-GASB standards of funding.  | Revised actuarial assumptions can result in both increased and reduced liabilities. Changes should be considered based upon best practices, rather than on the optics of funding ratios.<br><br>Within GASB, there are several standards for funding that vary widely regarding the long range funding ratios. Also, some jurisdictions choose to fund at levels that are lower than standards called for by GASB. |
| <b>Increase Investment Returns</b>  | Permit investments in a wider set of asset classes, including alternative investments, etc.<br><br>Explore more aggressive asset allocation policy.<br><br>Depending upon liquidity needs, a cash infusion may be necessary in order to permit longer term investment horizon.                           | More aggressive investment policies may increase risk and volatility.  |
| <b>Cash Infusion</b>                | Large cash infusion to the pension system, usually from one of the following sources: <ul style="list-style-type: none"> <li>• Proceeds of a bond issue</li> <li>• Transfer of a revenue producing municipal asset</li> <li>• Securitization of stream of payments (such as tobacco payments)</li> </ul> | Typically the infusion is used to reduce the UAAL which, in turn, reduces the annual contribution requirements.<br><br>The additional assets can also improve the investment position of the pension system by lengthening the investment horizon and allowing a re-allocation of assets to longer-lived asset classes, increasing returns.  |

*Pension Funding Bonds as Part of a Comprehensive Plan.* Jefferies believes that bonding should be considered only as one component of a comprehensive plan that would include all of the strategies identified above: benefit reform, a plan for managing contributions (both employer and employee), a thorough review of investment practices, and a candid assessment of actuarial assumptions.

Because the City has already implemented plans to address the low unfunded liability levels that include eliminating the cost of living adjustment; a deferred retirement option plan; reducing the salary multiplier; and increasing the vesting period and increasing the age at which employees can retire; we think that pension funding bonds could be used as another means of reaching acceptable levels of pension liability. When municipalities have taken steps to address pension reform using all other available methods, funding bonds can help complete pension reform objectives. Pension Funding Bonds assist by immediately moving the pension fund to a higher funded ratio, demonstrating good faith on the part of the City.


#### D. RECENT CASE STUDIES

Jefferies has significant experience with credits similar to the City's utility system, general obligation and CRA credits. Below we have proved our most recent transactions which represent financings of various sizes and complexity. The case studies below highlight transactions similar in credit to those of the City for which Jefferies has added significant value. In addition to the Juban Crossing Project, our Jefferies Economic Development Team has over 20 years of experience structuring over 150 TIF financings totaling \$2.5 billion.

|   |  |  |   |   |
|---|--|--|---|---|
| General Obligation      In Progress<br><br>Harris County Flood Control District<br><b>\$195,000,000*</b><br>GO/ Special Obligation<br>Refunding Bonds<br>Book-running Senior Manager | Utility      April 2014<br><br>San Antonio Water System<br><b>\$103,930,000</b><br>Floating Rate Notes<br>Book-Running Senior Manager | Utilities      April 2014<br><br>Holland Board of Public Works<br><b>\$158,840,000</b><br>Utility System Revenue Bonds<br>Book-running Senior Manager | Utilities      3:2014 and 7:2012<br><br><b>\$72,460,000</b><br>Bulk Power Supply Revenue Bonds<br>Book-running Senior Manager<br><b>\$178,865,000</b><br>Utility System Revenue Bonds<br>Book-running Senior Manager | General Obligation      2013<br><br>New York City<br><b>\$800,050,000</b><br>General Obligation Bonds<br>Book-Running Senior Manager |
|---|--|--|---|---|

|  |   |
|--|---|
| <br><b>\$103,930,000</b><br>City of San Antonio (TX)<br>Water System Junior<br>Lien Revenue and Refunding Bonds,<br>Series 2014A<br>Ratings: Aa2/AA/AA<br>Pricing Date: April 8, 2014<br>Delivery Date: April 30, 2014<br><br><b>Jefferies</b>                            | <p>Jefferies, as sole manager, priced the \$100 million City of San Antonio transaction in early April on behalf of the City's Water System ("SAWS"). The issue was for a floating rate note with a 30-year final maturity and a 3.5 year soft put structure. Jefferies' marketing efforts began approximately one week before pricing. SAWS officials and staff were available for one-on-one calls to answer investors' questions.</p> <p>The successful pre-marketing resulted in over \$400 million of orders or 4x oversubscription, and allowed Jefferies to reduce pricing spreads by 5 basis points. Jefferies placed the bonds with four institutional investors and six professional retail investors, one of which was a new participant in the FRN market and a new investor for SAWS.</p>  |
| <br><b>\$339,745,000</b><br>State of Wisconsin<br>Transportation Revenue Bonds<br>2014 Series 1<br>Ratings<br>Pricing Date: March 19, 2014<br>Delivery Date: April 23, 2014<br><br><b>Jefferies</b>   | <p>In March 2014, Jefferies senior-managed the State of Wisconsin's \$340 million transportation revenue bond offering, the largest issuance for this program in several years. Jefferies was awarded the role as a result of our strong historical performance for the State, as well for providing innovative ideas specific to the transportation program.</p> <p>As part of the 2014 issuance, Jefferies coordinated a series of one-on-one investor calls with the State as well as a recorded online roadshow. In all, the State's investor outreach participants put in \$301 million of orders and were allotted \$140 million of bonds, representing over 40% of the issuance. The State also achieved its first AAA rating from Kroll Bond Rating Agency. Pricing on March 20, the financing was the marquee municipal issue of the week and set the tone for strong performance in the primary tax-exempt market during a turbulent market period. The bonds were structured with a mix of coupons and call provisions (including eight-year and five-year calls) to broaden market appeal and provide desired structuring flexibility. In particular, the five-year call bonds met an unsatisfied need in the primary market and priced extremely aggressively. The State ultimately received over \$1 billion in orders, allowing the team to tighten yields in oversubscribed maturities. In order to maintain our quoted levels, Jefferies underwrote at-risk \$18 million of unsold balance.</p>  |
| <br><b>\$158,840,000</b><br>City of Holland<br>Ottawa and Allegan Counties<br>State of Michigan<br>Electric Utility System Revenue Bonds<br>Series 2014A<br>Ratings: Aa3/AA/NR<br>Pricing Date: March 18, 2014<br>Delivery Date: April 22, 2014<br><br><b>Jefferies</b> | <p>In March 2014, Jefferies served as senior manager for Holland Board of Public Work's inaugural issuance of \$158.84 million Electric Utility System Revenue Bonds, Series 2014A. Given that this was effectively the Board's first bond issuance, we worked closely with the Board to create a new Resolution that will govern the bonds. As part of this mandate, we worked closely with the financing team to explore different bond covenants. For example, we considered a potential springing reserve fund versus the traditional three prong test for the debt service reserve fund. Furthermore, we worked closely with the team to stress test the Board's cash balance under various gas price environments since they do not have an automatic rate adjustment mechanism; as well as examining the correlation of their largest customers by company and industry. The bonds were ultimately rated Aa3/AA (M/S). Given the Board's current and projected cash balances, it was critically important to them to build in as much call option flexibility as possible in order to manage their days cash on hand. Given the need for this flexibility, we incorporated a 1/1/2017 call for the first four maturities (nearly \$19 million) with the balance of the loan structured with a 7-year call. During the retail order period, we received over \$59 million in retail orders, of which Jefferies placed over \$26 million. This momentum continued into the institutional order period. We received over \$157 million in institutional orders, from approximately 25 different accounts. Over \$65 million of these orders were placed by accounts with whom the Board had one-on-one calls. The transaction yielded an All-in-Tic of 4.09%, which was well below the Board's cost of funds threshold.</p> |



|  |  |
|--|--|
|  <p><b>\$313,975,000</b><br/> <b>Triborough Bridge &amp; Tunnel Authority</b><br/> <b>(MTA Bridges &amp; Tunnels)</b><br/> <b>Subordinate Revenue Refunding Bonds,</b><br/> <b>Series 2013D (Federally Taxable)</b><br/> <b>\$165,505,000 Subseries 2013D-1</b><br/> <b>(Fixed Rate)</b><br/> <b>\$148,470,000 Subseries 2013D-2a/b</b><br/> <b>(Floating Rate Tender Notes)</b><br/> Ratings: A1/A+/A+/AA-<br/> Pricing Dates: December 13, 2013<br/> Delivery Date: December 19, 2013<br/> <b>Jefferies</b></p> | <p>In December 2013, Jefferies served as book running senior manager for TBTA's \$313 million refunding transaction and dealer manager for TBTA's \$208 million tender offer. The financing plan included an open market tender of non-callable bonds and the current refunding of other outstanding TBTA bonds. The Refunding Bonds were issued as taxable bonds in order to provide TBTA with the opportunity to maximize the value of restructuring an existing escrow at a future date.</p> <p>Jefferies navigated TBTA through an extremely heavy week of New York supply, which exceeded \$6 billion in bonds and successfully sold two series of Floating Rate Notes ("FRNs") with a soft put feature in 1 and 2 year maturities. The Jefferies sales team had identified numerous potential investors for the soft-put FRNs, <i>which had not previously been sold in the taxable market.</i> The FRN component was 1.4x oversubscribed from seven separate buyers and allowed TBTA to move \$21 million from the 1-year to 2-year FRN and reduce pricing spreads on both subseries by 5 basis points. <b><i>Jefferies supported the transaction by underwriting over \$54 million of fixed rate bonds in maturities that received little investor support. The bonds were underwritten without increasing yields.</i></b></p> |
| <p><b>\$36,700,000</b><br/> <b>Juban Crossing Economic Development</b><br/> <b>District Parish of Livingston – Phase I</b><br/> <b>Revenue Bond Projects</b><br/> <b>Series ABC</b><br/> Ratings: non-rated<br/> Pricing Dates: October 21, 2013<br/> Delivery Date: October 21, 2013<br/> <b>Jefferies</b></p>  | <p>In October 2013, Jefferies served as placement agent on \$36.7 million financing for the Juban Crossing Project. The Project included a 472-acre mixed-use development located in the Parish of Livingston (LA) that is expected to be completed in three phases ultimately consisting of retail, restaurants, cinema, hotels, residential, recreational facilities and additional acreage. The Bonds are secured by sales tax revenues generated by three different taxing entities within the district. Bond proceeds are being utilized to fund a portion of the basic infrastructure for Phase I of the project, including reimbursement of wetlands mitigation, surface water management and control systems, water distribution and transmission, wastewater collection and transmission facilities, and roadwork.</p> <p>Financing challenges included a compressed financing schedule to meet construction and store opening deadlines; vertical construction lender with limited experience in special assessment and tax increment financing; tax levies with renewal dates shorter than the proposed bond maturities; lease hurdle levels to release funding; extensive negotiations over the substitution of alternative pledged collateral; and flexible ABT to account for the funding of future phases.</p>          |

Jefferies has been very active in CRA financings in California prior to the legislative dissolution of CRAs in 2011. Subsequent to the legislation, CRAs may only issue debt for refunding purposes. In February 2014, Jefferies served as sole manager to the Successor Agency to the Lafayette Redevelopment Agency for \$14.035 million of Tax Allocation Refunding Bonds. The bonds received an A rating from S&P and insurance from Assured Guaranty. The Lafayette CRA, created in 1994, occupies 290 acres located in the downtown area and since its creation has increased in value approximately 125% with an average annual growth rate of approximately 6.23%. In addition, Jefferies is currently serving as sole manager to the Calimesa Financing Authority for a \$3 million refunding scheduled to price on May 15. The expected rating on the bonds is BBB and debt service coverage is 2.60x. Both of these transactions are secured only by tax increment revenues.

#### E. NON-BANK QUALIFIED LOANS

Jefferies does not provide fixed rate, non-bank qualified loans.

**8. REFERENCES**

Provide references for three (3) local or statewide issuers, which your firm served as Senior Manager or Co-Manager, to include company name, contact name, phone, fax and email address.

Jefferies is proud of our core fundamentals that provide for a client-focused platform with the horsepower to seamlessly and consistently execute for our clients. We believe that our firm is uniquely positioned to serve the City as a member of its senior management team given our creative and proactive underwriting and banking team. What sets Jefferies apart from our competitors is the individualized attention that we provide to our clients. We invite the City to contact the following references for independent confirmation of our high level of services.

| JEA                  |   |
|----------------------|---|
|                      | <p>Melissa Dykes<br/>Treasurer<br/>21 West Church Street<br/>Jacksonville, Florida 32202<br/>904.665.7054 phone<br/>Dykemh@jea.com</p> <p><b>Term of Contract:</b> Member of senior manager pool since 2011 – senior managed two transactions:<br/>2014: \$72.46 million Bulk Power Supply System Revenue Bonds Series 2014A<br/>2012: \$178 million Water and Sewer System Refunding Revenue Bonds 2012 Series B</p> |
| City of Jacksonville |   |
|                      | <p>Ronnie Belton<br/>Chief Financial Officer<br/>117 West Duval Street<br/>Jacksonville, Florida 32202<br/>904.630.1640 phone<br/>RBelton@coj.net</p> <p><b>Term of Contract:</b> Member of senior manager pool<br/>2012: \$118.005 million Capital Improvement Refunding Revenue Bonds, Series 2012</p>  |
| City of Orlando      |   |
|                      | <p>Christopher McCullion<br/>Treasurer<br/>400 South Orange Avenue<br/>Orlando, Florida 32801<br/>407.246.4274 phone<br/>Christopher.McCullion@cityoforlando.com</p> <p><b>Term of Contract:</b> Member of senior manager pool since 2013 – appointed to senior manage upcoming transaction scheduled to price in late summer 2014</p>  |

## 9. UNDERWRITER'S COUNSEL

The selection of underwriters' counsel shall be at the sole discretion of the senior managing underwriter. Please identify firms which will be considered for the role.

Jefferies proposes the following firms to serve the City of Hollywood as underwriters' counsel, subject to the City's approval.

| Becker & Poliakoff, P.A.  | Bryant Miller Olive  | Moskowitz, Mandell, Salim & Simowitz, P.A.                                    |
|---|--|---|
| 3111 Stirling Road<br>Fort Lauderdale, FL 33312<br>954.985.4181 | 1 SE Third Avenue<br>Suite 2200<br>Miami, FL 33131<br>305.374.7349 | 800 Corporate Drive<br>Suite 500<br>Fort Lauderdale, FL 33334<br>954.491.2000 |

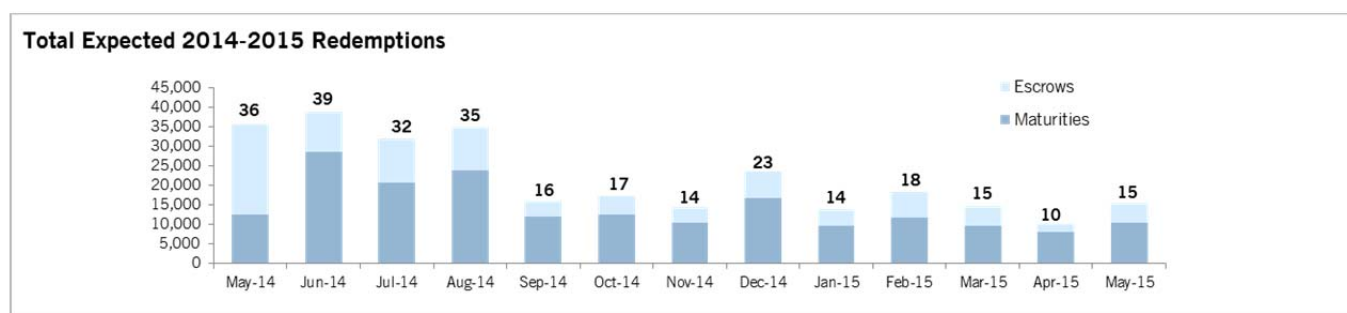
## 10. SUMMARY OF THE PROPOSER'S FEE STATEMENT

Price may be considered in the evaluation and ranking of the short-listed firms. If the Selection Committee will consider price, staff will provide each short-listed firm with a price submittal instrument and instructions for its preparation and delivery.

Jefferies believes that our proposal and our past coverage of the City demonstrate our firm's high level of interest in serving as senior manager to the City. We look forward to the opportunity to provide competitively aggressive fees for the City's proposed financings.

## 11. PROJECT TIME SCHEDULE, IF APPLICABLE.

The Jefferies team has vast experience in completing time-sensitive transactions and meeting the financing goals of our clients. Further, Jefferies would recommend targeting a summer 2014 closing date to take advantage of unprecedented municipal bond redemptions. In the June through August timeframe, over \$100 billion of municipal bonds are scheduled to mature as illustrated in the chart below. Given the current lack of supply, in addition to investors' need to reinvest proceeds of redemptions, Jefferies anticipates strong demand for highly rated municipal paper such as the City's credits. For the City's proposed financings, Jefferies would anticipate a six week timeline that encompasses the following key milestones. Please note that should market conditions warrant, *the City's financing can be accelerated to meet the City's requirements*. Please see the timeline provided on the following page.



Source: Bloomberg

| Financing Schedule   |        |        |        |        |        |        |        |        | Deliverables                         |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------------------------------------|
|  | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 |                                      |
| Kick-off Call  |        |        |        |        |        |        |        |        | Financing Schedule/Distribution List |
| Discuss financing parameters and constraints                   |        |        |        |        |        |        |        |        | Parameter Resolution                 |
| Brainstorm optimal financing structures                        |        |        |        |        |        |        |        |        | Produce various scenarios            |
| Circulate and Review Documents                                 |        |        |        |        |        |        |        |        | Bond Documents                       |
| Review transaction with Rating Agencies                        |        |        |        |        |        |        |        |        | Credit Presentation                  |
| Receive Ratings  |        |        |        |        |        |        |        |        | Rating Reports                       |
| Receive Insurance Bids   |        |        |        |        |        |        |        |        | Breakeven Insurance Analysis         |
| Circulate POS to Internal Sales Force (Marketing)              |        |        |        |        |        |        |        |        | -                                    |
| Circulate Sales Point Memo to Internal Sales Force (Marketing) |        |        |        |        |        |        |        |        | Sales Point Memo                     |
| Publish Newspaper Ads (Marketing)                              |        |        |        |        |        |        |        |        | Tombstone Advertisement              |
| Broadcast radio advertisements (Marketing)                     |        |        |        |        |        |        |        |        | Infomercial                          |
| Online or in-person Investor Road Show (Marketing)             |        |        |        |        |        |        |        |        | Investor Presentation                |
| Conference calls with prospective investors (Marketing)        |        |        |        |        |        |        |        |        | Investor Presentation                |
| Finalize financing structure                                   |        |        |        |        |        |        |        |        | Summary of Scenarios                 |
| Pre- Pricing   |        |        |        |        |        |        |        |        | Pricing Wires                        |
| Pricing  |        |        |        |        |        |        |        |        | Final Numbers                        |
| Closing  |        |        |        |        |        |        |        |        | Transcript                           |
| Post-pricing support activities                                |        |        |        |        |        |        |        |        | Final Pricing Book                   |

| Pricing Schedule - Detailed                                       |            |         |          |          |          |         |         |          | Deliverables                        |
|---|------------|---------|----------|----------|----------|---------|---------|----------|-------------------------------------|
|   | Day Before | 9:00 AM | 10:00 AM | 11:00 AM | 12:00 PM | 1:00 PM | 2:00 PM | Next Day |                                     |
| Morning market update call / review retail pricing scale          |            |         |          |          |          |         |         |          | Retail Pricing Wire                 |
| Retail Order Period   |            |         |          |          |          |         |         |          | Summary of Orders                   |
| Afternoon status update call                                      |            |         |          |          |          |         |         |          | Summary of Orders                   |
| Evening market update call / review institutional pricing scale   |            |         |          |          |          |         |         |          | Institutional Pre-Pricing Wire      |
| Market update call / receive sign-off on scale                    |            |         |          |          |          |         |         |          | -                                   |
| Institutional Order Period  |            |         |          |          |          |         |         |          | Summary of Orders                   |
| Conference call to discuss order flow / repricing recommendations |            |         |          |          |          |         |         |          | Summary of Orders / Re-Pricing Wire |
| Receive Verbal Award  |            |         |          |          |          |         |         |          | Final Pricing Wire                  |
| Receive Written Award   |            |         |          |          |          |         |         |          | Executed BPA                        |

▲ Review points

## Appendix A- Resumes

### City of Hollywood Finance Team

#### **Rawn N. Williams, Managing Director and Finance Team Leader**

Orlando, FL | rwilliams@jefferies.com | Tel: 407.583.0856 | Fax: 407.264.6516



As a 22-year industry veteran, Rawn has managed over \$60 billion of financings, with over \$30 billion in the role of lead, co-lead, or financial advisor. *As evidence of Rawn's impact on the Florida municipal industry, prior to joining Jefferies, Rawn was tasked by Merrill Lynch with the mandate of increasing its public finance footprint in the state of Florida after its re-entrance into the negotiated municipal market. From the start of his tenure with Merrill Lynch in mid-2006 until his departure in November 2010, Rawn led the efforts to grow the Merrill Lynch Florida negotiated rankings to #2 within 3 years. He was instrumental in increasing market share from 13% or \$5.5 billion to 16.4% or \$13.6 billion as senior manager.* In November 2010, Rawn joined Jefferies with a similar task of leading Jefferies' efforts to expand its services in Florida. Since joining the Firm and opening the Orlando office, Rawn has been successful in adding Jefferies to the underwriting teams of the cities of Ft. Lauderdale, Orlando and Jacksonville; the counties of Broward, Miami-Dade, and Osceola; and other issuers including Citizens Property Insurance; Orlando-Orange County Expressway Authority; and the Orange County School Board. A few of his notable senior-level financings include: a \$118 million City of Jacksonville transaction, four transactions for the Dormitory Authority of the State of New York ("DASNY") totaling over \$1 billion, \$88 million for the State of Connecticut / UCONN and \$86 million for the City of Philadelphia; as well as actively participating as co-senior manager for the \$164 million Pennsylvania Turnpike Commission and the recent \$847 million City of Atlanta airport refunding. His recent senior managed financing experience prior to joining Jefferies includes the \$810 million inaugural issuance of income tax bonds for the District of Columbia, \$300 million of Florida Lottery bonds (the first negotiated issuance of lottery bonds by the State), \$201 million of refunding bonds for the Orlando-Orange County Expressway Authority, over \$200 million of bonds for the City of Miami in 2010, as well as the \$319 million of bonds issued by Miami-Dade County for the Miami Marlins venue. Rawn has worked on transactions that have involved short and long-term financings, advance refundings, derivative structures, securitizations, tax-exempt and taxable debt for a variety of issuers utilizing a gamut of financing and security structures. Rawn received his BA with honors from Morehouse College and MBA from Harvard Business School and is FINRA Series 53, 62, and 7 licensed.

#### **Patti Grant Wilkinson, Senior Vice President**

Washington, DC | patti.wilkinson@jefferies.com | Tel: 202-349-3110 | Fax: 202-318-3049



Patti Grant-Wilkinson has worked on over 500 transactions in connection with the issuance of over \$30 billion in tax-exempt bonds. Since joining Jefferies in 2012, Patti has served as senior manager for the \$118 million City of Jacksonville refunding, \$104 million financing for Virginia Resources Authority, \$88 million financing by the State of Connecticut on behalf of UCONN, \$35 million of FRNs on behalf of Howard County Housing Commission, and as co-senior manager for the \$500 million District of Columbia General Obligation Bonds, Series 2014(pending). She has worked on transactions in over 20 states, and her municipal clients have included Jacksonville (FL), Miami-Dade County (FL), the City of Atlanta, MARTA, Georgia Housing, Morehouse College, Clark Atlanta University, the City of New Orleans, the City of Baltimore, Prince George's County (MD), the District of Columbia, the District of Columbia Housing Finance Agency, DC Water, DC Metro, the State of Connecticut, the Metropolitan Washington Airports Authority, Virginia Resources Authority, and many others. Patti received a B.A. and J.D. from Georgetown University and is FINRA Series 52, 53, and 63 licensed.

#### **Mark Widener, Managing Director and Utilities Financing Specialist**

Atlanta, GA | mwidener@jefferies.com | Tel: 404-264-5027 | Fax: 404-393-9174



Mark Widener joined the Jefferies Municipal Group as a Managing Director in the Atlanta, Georgia office where he continues his focus on Southeast municipal and Public Power and Gas accounts nationwide. Mark recently served as senior manager for three Florida utility transactions: a \$242 million refunding for Orlando Utilities Commission and two transactions for JEA: a \$72.5 million new money transaction and a \$178 million refunding. Prior to joining Jefferies, Mark was the Head of the Southeast and Gas Prepay Groups at Merrill Lynch and has been covering municipal issuers for 18 years. Mark has executed over 150 transactions totaling more than \$10 billion in par amount for such issuers as the City of Atlanta's Water & Wastewater department and airport, the Metropolitan Government of Nashville and Davidson County, State of Georgia, the State of Tennessee, and the State of North Carolina, among others. Mark received his Bachelors of Business (Finance) from Georgia State University and his M.B.A. (Finance) from Mercer

University. His licenses include FINRA Series 7, Series 53 and Series 63.

**Bill Torsiglieri, *Managing Director and Head of Quantitative Analysis***

New York, NY | wtorsiglieri@jefferies.com | Tel: 212-336-7038 | Fax: 646-786-5465



Bill Torsiglieri has been assisting municipal issuers in structuring complex bond issues since 1982. He oversees all quantitative and financial analyses provided by Jefferies' Municipal Securities Group. He provides senior-level oversight and advice on all matters relating to debt structuring, the reinvestment of bond proceeds and tax/arbitrage considerations. Previously, Bill led the consulting efforts at Lloyd Bush, a financial advisory firm for municipal issuers and underwriters, developing plans of finance, pricing issues, designing investment portfolios, advising on the impact of tax law restrictions and specifying parameters for competitive bid situations for more than \$7 billion of financings. Bill is a Computer Science graduate of Harvard College and is FINRA Series 7, 53, and 63 licensed.

**Marquita Jackson, *Vice President, Florida Banking Coverage***

Atlanta, GA | mbarnesjackson@jefferies.com | Tel: 404-264-5021 | Fax: 404-393-0617



Marquita joined Jefferies in early 2009. She has served as primary financial analyst on over \$6 billion of municipal bond transactions. Since joining Jefferies, Marquita has served on the senior management teams for the \$89 million refunding for UCONN, the \$35 million Howard County Housing Commission bonds, as joint-senior manager for the \$118 million City of Jacksonville Capital Improvement refunding, the \$242 million Orlando Utilities Commission refunding, and two financings on behalf of Columbia County (GA), to name a few. Prior to joining Jefferies, her senior managing financing experience includes: City of Atlanta Water & Wastewater (GA), State of Georgia, Columbia County (GA), State of Louisiana, Parish of East Baton Rouge, East Baton Rouge Sewerage Commission, City of Lafayette (LA), City of Lake Charles (LA), Bossier City (LA), Bossier Parish (LA), Lafayette Public Power Authority, Lafayette Utilities System, Louisiana Stadium & Exposition District, City of Clarksville (TN), and the District of Columbia. Marquita received her B.B.A. in Accounting from Howard University and is FINRA Series 7 and 63 licensed.

**Tamaa Patterson, *Associate, Florida Banking Coverage***

Orlando, FL | tpatterson@jefferies.com | Tel: 407-583-0859 | Fax: 407-641-9856



Tamaa joined our Southeast Public Finance Group in 2011 and has provided coverage and support for senior managed transactions for UCONN, the City of Jacksonville, and Howard County Housing Commission. Additionally, he provides coverage and support for our Southeast clients, which includes the Greater Orlando Aviation Authority, the Orlando-Orange County Expressway Authority, and the cities of Atlanta, Orlando, Miami, and Tampa, the counties of Miami-Dade, Hillsborough, Osceola, and Broward. He also covers various Florida school districts including Miami-Dade County, Orange County, and Hillsborough County. Tamaa received his BA in Business Economics from Florida A&M University and is FINRA Series 7 and 63 licensed.

**UNDERWRITING, SALES AND TRADING, CREDIT ANALYSIS**

**Jim McGinley, *Managing Director and Head of Municipal Securities Markets***

NY, NY | jmcginley@jefferies.com | Tel: 212-336-7137 | Fax: 212-336-7255



Jim McGinley joined Jefferies in 2010 bringing 20 years of municipal securities industry experience to the Firm. In his capacity of Head of Municipal Securities Markets, Jim oversees all municipal securities sales, trading, and underwriting. Prior to Jefferies, Jim worked at Barclays, where he was a Managing Director and ran municipal high grade, taxable and proprietary trading, as well as competitive bidding. Previously, he was a Senior Managing Director in Municipal Asset Management at Bear Stearns, a Managing Director in Portfolio Management at Blackrock and a First Vice President in Municipal Research and Risk Management at Prudential Securities. Jim received an M.B.A. from Rutgers University and a B.S. from Lehigh University.

**Roy Carlberg, *Managing Director and Head of Long-Term Underwriting***

NY, NY | rcarlberg@jefferies.com | Tel: 212-336-7151 | Fax: 212-336-7255



Roy Carlberg, a nationally recognized municipal underwriter, joined Jefferies in March 2009. Prior to joining Jefferies, Roy spent 18 years at Bear Stearns as a Senior Managing Director overseeing the national municipal syndicate desk. At Bear Stearns, Roy had full responsibility for the firm's negotiated and competitive commitments. Roy has priced over \$370 billion of fixed rate financings including over \$50 billion of taxable fixed rate debt. Additionally, Roy has led the pricing for over \$20 billion



of Florida financings, as well as pricings for public power, housing, higher education, healthcare and other general governmental issuers. He believes in strong and effective pre-marketing and spending the time to communicate with all members of the management team in order to assure exceptional results for each issuer. Roy is a graduate of Bucknell University, majoring in economics and is FINRA Series 7, 53, and 63 licensed.

**Betty Infantes, Senior Vice President and Head of Short-Term Origination**

NY, NY | binfantes@jefferies.com | Tel: 212-336-7148 | Fax: 646-786-5453



Betty is an industry veteran with over \$28 billion of floating rate debt experience— both taxable and tax-exempt. Betty joined the Municipal Securities Group at Jefferies in April 2009 and has over 23 years of experience in underwriting and marketing municipal bonds beginning at J.P. Morgan in 1990 where she managed the VRDO remarketing portfolio from 2000 through 2008. She currently manages a portfolio of \$4.1 billion in Variable Rate Bonds at Jefferies, underwriting and trading short-term municipal products, both tax-exempt and taxable. Current assignments include the City of New York; the Metropolitan Transportation Authority; State of California; Texas Public Finance Authority; New York and Connecticut Housing Finance Authorities; CPS Energy San Antonio; and Massachusetts State Water Resource Authority, among others. Betty received her BA from Montclair State University and is FINRA Series 7, 53 and 63 licensed.

**Drew Levinson, Managing Director and National Sales Manager**

NY, NY | dlevinson@jefferies.com | Tel: 212-336-7124 | Fax: 646-786-5650



Drew Levinson joined Jefferies in 2005 and had previously worked for 25 years in municipal sales at Lehman Brothers. While there, he acted as institutional sales manager, managing a 23-person sales force and covering arbitrage accounts and many of the largest bond funds in the municipal bond industry. Drew received his B.A from the College of Wooster.

**Steve Anderson, Managing Director and Head of Investment Grade Taxable Sales**

NY, NY | sanderson@jefferies.com | Tel: 212-323-7554 | Fax: 646-786-5436



Steve Anderson has 18+ years of experience in Debt Capital Markets with extensive expertise across a range of both SEC registered and privately placed products from senior and secured debt to project finance obligations to preferred and hybrid capital. Prior to joining Jefferies, Steve served as a Managing Director of the Debt Capital Markets Group at Bank of America Securities, co-head of the Debt Private Placement Group at Morgan Stanley, and Head of the Debt Capital Markets Project Finance Team at Merrill Lynch.

**Garrett Falzone, Managing Director and Head of Credit Analysis**

NY, NY | gfalzone@jefferies.com | Tel: 212-336-7106 | Fax: 646-786-5665



With over 19 years of municipal credit experience, Garrett Falzone works with the trading and sales team at Jefferies and provides the Public Finance Group with credit perspectives and views of the investor client base. He has expertise across all credit sectors including utilities, tobacco settlement securitizations, housing, land development and project finance in the high yield and distressed markets. Prior to joining Jefferies, Garrett was a Senior Vice President and high yield municipal bond salesman at Lehman Brothers. At Lehman, he was involved in a number of large and complex credit transactions in both the tax-exempt and taxable market. Prior to joining Lehman Brothers, Garrett was a Director at BlackRock. Garrett has a B.S. in Finance from Rider College and an M.B.A in Finance from the Stern School of Business at New York University.

**Chris White, Senior Vice President - Credit Analysis**

NY, NY | cwhite@jefferies.com | Tel: 212-336-7107 | Fax: 646-786-5665



Christopher White is a Senior Vice President and municipal strategist in the Municipal Sales & Trading Division at Jefferies LLC where he focuses on health care, higher education and transportation sector analysis. Prior to joining Jefferies, Chris spent 11 years at Merrill Lynch and Bank of America in the public finance division where he was a credit research analyst and also provided banking coverage for municipal clients in New York. Prior to Merrill Lynch, Chris was a municipal credit analyst at Moody's Investors Service and spent seven years working in the government and non-profit sectors in New York City. Chris holds a Master of Public Finance from New York University where he was an adjunct professor for four years, and a BA with Honors from Hunter College.

## Appendix B- Financing Ideas Submitted to City of Hollywood

| Date           | Topic   | Discussion Highlights  |
|----------------|---|--|
| October 2013   | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could current refund the Series 2003 W&amp;S Bonds to achieve approximately \$6.8 million in present value savings</li> </ul>  |
| July 2013      | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could current refund all of its Series 2003 W&amp;S Bonds for up to \$6.1 million in present value savings</li> </ul>  |
| May 2013       | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could current refund all of its Series 2003 W&amp;S Bonds for up to \$8.4 million in present values savings</li> <li>The City could advance refund the Callable Series 2005 GO Bonds for up to \$2.4 million in present value savings</li> </ul>   |
| April 2013     | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could current refund all of its Series 2003 W&amp;S Bonds for up to \$8.6 million in present value savings</li> <li>In the current market, the City could advance refund the callable Series 2005 GO Bonds for up to \$3.0 million in present value savings</li> </ul>   |
| March 2013     | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could current refund all of its Series 2003 W&amp;S Bonds for up to \$7.7 million in present value savings</li> <li>The City could advance refund the callable Series 2005 GO Bonds for up to \$2.4 million in present value savings</li> </ul>  |
| February 2013  | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could advance refund the callable Series 2005 GO Bonds for up to \$3.04 million in present value savings</li> </ul>  |
| January 2013   | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could refund all of its Series 2003 W&amp;S Bonds on a forward basis for up to \$7.3 million in present value savings</li> </ul>   |
| September 2012 | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could refund all of its Series 2003 W&amp;S Bonds on a forward basis for up to \$5.0 million in present value savings</li> </ul>   |
| March 2012     | Comprehensive Plan to address the Pension Funding Challenge | <ul style="list-style-type: none"> <li>The City issues taxable bond and deposits the proceeds into the pension fund where they are used to reduce the UAAL. The actuary calculates a reduced contribution to the pension fund</li> <li>The City's annual contribution to the pension fund are reduced, but now the City makes debt service payments to bondholders</li> <li>Debt service payments are less than the original UAAL amortization payments which results in lower budget outlays</li> </ul> |
| April 2011     | Refunding Opportunities                                     | <ul style="list-style-type: none"> <li>The City could enter into a cancelable forward delivery contract in connection with its Series 2003 W&amp;S Bonds and receive an upfront payment of \$882,000</li> </ul>  |