

THIS AGREEMENT, made and entered into this 29th day of June, 2011, is by and between the City of Fort Lauderdale, a Florida municipality, ("City"), whose address is 100 North Andrews Avenue, Fort Lauderdale, FL 33301-1016, and First Southwest Company, a Delaware corporation authorized to transact business in the State of Florida, ("Contractor" or "Company"), whose address and phone are 18851 Northeast 29th Avenue, Suite 520, Aventura, FL 33180, Phone: 305-819-8886, Fax: 305-819-9992

WHEREAS, the City issued Request for Proposal Number 115-10737 ("RFP"), and the Contractor submitted a proposal in response to the RFP; and

WHEREAS, on May 3, 2011, the City Commission of the City of Fort Lauderdale approved an agreement with Contractor for the goods or services described in the RFP (Pur-03, CAR No. 11-0567),

NOW, THEREFORE, for and in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the City and the Contractor covenant and agree as follows:

1. The Contractor agrees to provide to the City financial advisory services in accordance with and in strict compliance with the specifications, terms, conditions, and requirements set forth in the RFP and any and all addenda thereto beginning May 3, 2011, and ending May 2, 2014.

2. This contract form G-110 Rev. 01/10, the RFP, any and all addenda to the RFP and the Contractor's response thereto, and the Contractor's proposal in response to the RFP are integral parts of this Contract, and are incorporated herein.

3. In the event of conflict between or among the contract documents, the order of priority shall be as follows:

- First, this contract form, G-110 Rev. 01/10;
- Second, any and all addenda to the RFP in reverse chronological order;
- Third, the RFP;
- Fourth, the Contractor's response to any addendum requiring a response;
- Fifth, the Contractor's response to the RFP.

4. The Company warrants that the goods and services supplied to the City pursuant to this Contract shall at all times fully conform to the specifications set forth in the RFP and be of the highest quality. In the event the City, in the City's sole discretion, determines that any product or service supplied pursuant to this Contract is defective or does not conform to the specifications set forth in the RFP the City reserves the right unilaterally to cancel an order or cancel this Contract upon written notice to the Contractor, and reduce commensurately any amount of money due the Contractor.

5. The Contractor shall not present any invoice to the City that includes sales tax (85-8012514506C-7) or federal excise tax (59-6000319).

6. Contractor shall direct all invoices in duplicate for payment to Finance Department, City of Fort Lauderdale, 100 N. Andrews Avenue, 6th Floor, Fort Lauderdale, FL 33301. Any applicable discount MUST appear on the invoice.

IN WITNESS WHEREOF, the City and the Contractor execute this Contract as follows:

CITY OF FORT LAUDERDALE

By: [Signature]
Director of Procurement Services

Approved as to form:

[Signature]
Senior Assistant City Attorney

ATTEST

[Signature]
Print Name: Jacqueline Gonzalez
Title: _____

CONTRACTOR

By: [Signature]
Print Name: Edward Marquez
S.V. President

(CORPORATE SEAL)

STATE OF Florida
COUNTY OF Dade

The foregoing instrument was acknowledged before me this 28 day of June, 2011, by Edward Marquez as president for First Southwest Company, a Delaware corporation authorized to transact business in the State of Florida.

(SEAL)

NOTARY PUBLIC-STATE OF FLORIDA
Jacqueline Gonzalez
Commission #DD856751
Expires: FEB. 01, 2013
BONDED THRU ATLANTIC BONDING CO., INC.

[Signature]
Notary Public, State of Florida
(Signature of Notary)

(Print, Type, or Stamp Commissioned Name of Notary Public)

Personally Known by me OR Produced ID _____
Type of ID Produced _____

Analysis of Outstanding Debt

City of Fort Lauderdale, Florida

As of February 1, 2011

CONTRACT
COPY

City of Fort Lauderdale, Florida

FirstSouthwest 
A PlainsCapital Company.

CONTACT:

Edward Marquez, Senior Vice President

18851 NE 29th Avenue, Suite 520, Aventura, FL 33180

Phone 305.819.8886 Fax 305.819.9992

As of February 1, 2011
Analysis of Outstanding Debt



Table of Contents

February 1, 2011

Tab

A Summary of Outstanding Debt

- Debt Summary
- Debt Service Graphs
- Debt Service Graphs by Series
- Debt Service Schedule

B Details of Outstanding General Obligation Debt

- General Obligation Bonds, Series 2005
- General Obligation Refunding Bonds, Series 2002

C Details of Outstanding Special Obligation Debt

- Special Obligation Refunding Bonds, Series 2008A

D Details of Outstanding Water and Sewer Revenue Debt

- Water & Sewer Revenue Bonds, Series 2010
- Water & Sewer Revenue Bonds, Series 2008
- Water & Sewer Revenue Bonds, Series 2006
- Water & Sewer Revenue Bonds, Series 2003
- State Revolving Fund Loan, Series 2008
- State Revolving Fund Loan, Series 2008
- State Revolving Fund Loan, Series 2005
- State Revolving Fund Loan, Series 2005
- State Revolving Fund Loan, Series 2003

E Rating Report

- Moody's Investor Services
- Standard & Poor's

City of Fort Lauderdale, Florida

Tab A: Summary of Outstanding Debt

As of February 1, 2011

Summary of Outstanding Debt

FirstSouthwest 
A PlainsCapital Company

Member FINRA & SIPC | Subsidiary of PlainsCapital | © 2011 FirstSouthwest

City of Fort Lauderdale, Florida

All Outstanding General Obligation Bonds

As of February 1, 2011

(000's)

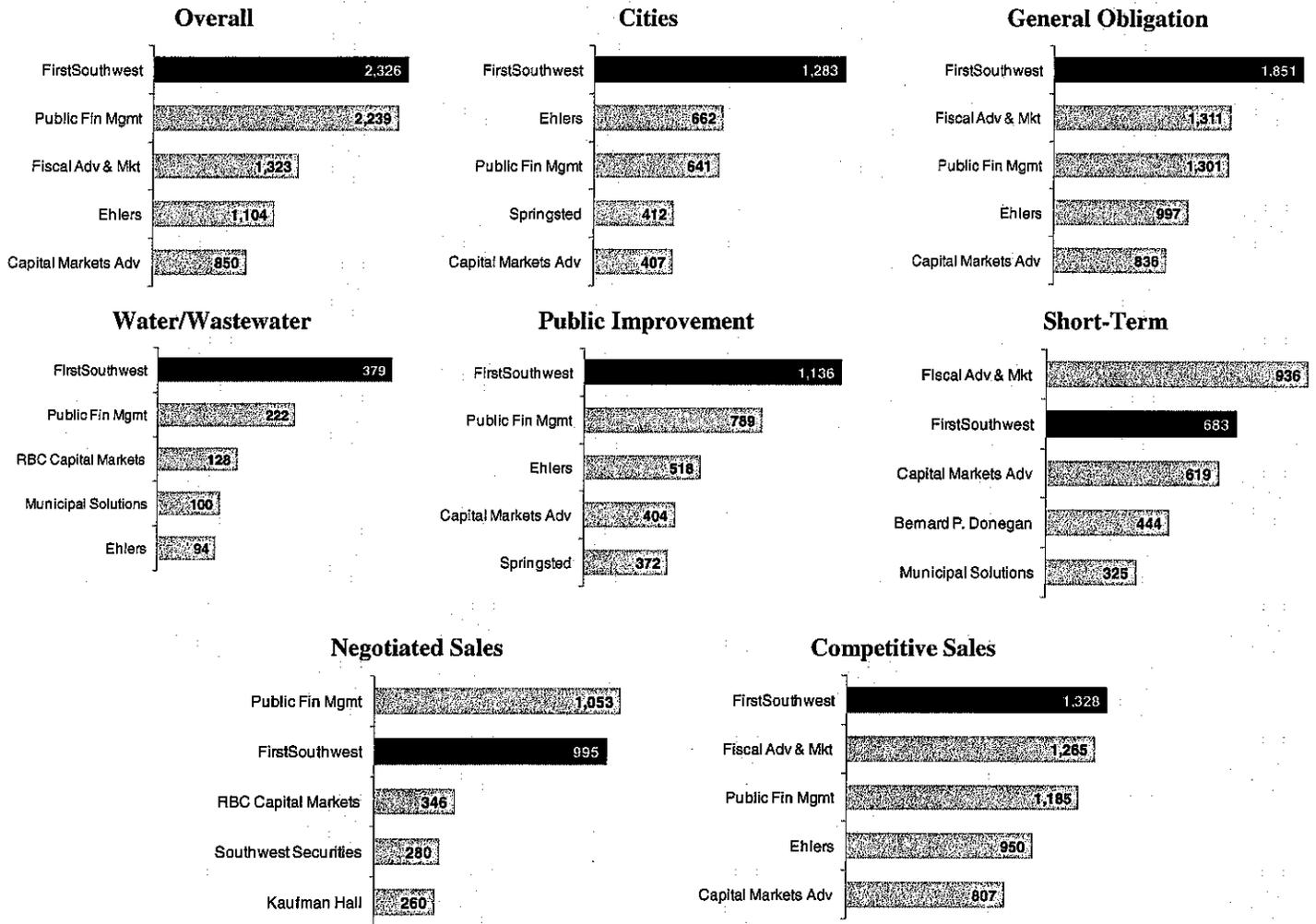
Year Ending December 31	\$20,000,000 General Obligation Fire-Rescue Facilities Series 2005		\$28,660,000 General Obligation Refunding Bonds Series 2002	
	Principal	Coupon	Principal	Coupon
2011	445	3.000%	1,040 / 1,060	3.300%
2012	460	3.100%	1,075 / 1,095	3.400%
2013	475	3.200%	1,115 / 1,135	3.500%
2014	490	3.300%	1,155 / 1,175	3.750%
2015	505	4.000%	1,200 / 1,225	4.000%
2016	525	4.000%	1,255 / 1,275	4.000%
2017	545	4.000%	1,305 / 1,335	4.100%
2018	565	4.000%		
2019	585	4.000%		
2020	610	4.000%		
2021	635	4.000%		
2022	655	4.000%		
2023	685	4.000%		
2024	710	4.125%		
2025	740	4.125%		
2026	770	4.250%		
2027	805	4.250%		
2028	840	4.250%		
2029	875	4.250%		
2030	910	4.250%		
2031	950	4.250%		
2032	995	4.300%		
2033	1,035	4.375%		
2034	1,080	4.375%		
2035	1,130	4.375%		
2036				
TOTALS	18,020		16,445	
Next Call	7/1/2014 @ Par		Currently Callable @ Par	
Dated Date	6/2/2005		11/1/2002	
Coupon Dates	January 1	July 1	January 1	July 1
Maturity Dates	July 1		January 1	July 1
Underlying Ratings	Aa1 (Moody's), AA (S&P)		Aa1 (Moody's), AA (S&P)	
Insurer	MBIA		FGIC	
Lead Underwriter	Citigroup Global Markets Inc.		William R. Hough & Co.	
Paying Agent	City of Fort Lauderdale		City of Fort Lauderdale	
Purpose	New Money		Refunding Advance Refunding Series 1997	
Color Legend				
	Non-Callable		Callable	

During the past three years, FirstSouthwest provided financial advisory services on 2,326 issues totaling \$85.21 billion par volume. Such level of participation in the public finance arena ranks us as the number-one firm for number of issues and number-two for par volume. The ranking tables below illustrate how FirstSouthwest compares to other firms in several of the areas of interest to the City.

National Financial Advisory Ranking January 1, 2008 – December 31, 2010

Number of Bond and Note Issues

Source: MuniAnalytics



It should be noted that there are two major national tracking services for municipal debt namely, MuniAnalytics and Thomson Reuters (Bond Buyer/Securities Data Corp). While FirstSouthwest uses both services, we generally use MuniAnalytics for purposes of State and National ranking information because it derives its data directly and expeditiously from the municipal wire services.

Neither service includes privately-placed transactions (such as bank loans), which have been a major source of financing for municipalities over the past few years. As an example, for the three year period ending December 31, 2010, FirstSouthwest completed 54 privately placed bank transactions totaling \$965.30 million in par amount in just the State of Florida. This activity is not reflected in the national ranking charts shown above. Also, neither service tracks bond issuance by individuals; therefore, any data we present related to an individual's experience is based only on our internal records.

City of Fort Lauderdale, Florida

March 29, 2011

City of Fort Lauderdale, Florida



SUBJECT: REQUEST FOR PROPOSAL 115-10737 2nd REBID FOR FINANCIAL ADVISORY SERVICES

CONTACT:

Edward Marquez, Senior Vice President, Edward.Marquez@firstsw.com

18851 NE 29th Avenue, Suite 520, Aventura, Florida 33180

Phone: 305.819.8886 Fax: 305.819.9992

Edward D. Stull, Jr., Managing Director, Ed.Stull@firstsw.com

20 North Orange Ave., Suite 1209, Orlando, Florida 32801

Phone: 407.426.9611 Fax: 407.426.7835



Tab 2: Table of Contents

	<u>TAB</u>	<u>PAGE</u>
Title Page	1	1
Table of Contents	2	2
Bid/ Proposal Signature Page	3	3
Non-Collusion Statement	4	4
Letter of Interest and Executive Summary	5	5
Firm Overview	6	7
Personnel and References	7	13
Long-Term Strategic Financial Planning Experience	8	30
Tax-Exempt Financing Experience	9	35
Taxable Financing Experience	10	38
Advance and Current Refunding Experience	11	40
Synthetic Advance Refundings and Other Related Financing Experience	12	42
Market and Pricing Information	13	47
Cost Proposal Page and Reimbursement for "Out-of-Pocket" Expenses	14	53
Business Licenses	15	58
Potential Conflict of Interest	16	59
Business Relationships with Other Entities	17	60
Minimum Professional Requirements	18	61
Signed Statement	19	62
Questionnaire	20	63

APPENDICES

A	Debt Book
B	General Credit Statistics
C	Water and Sewer Credit Statistics
D	Florida Commentary
E	Sample Recommendation Report
F	State of Florida Certificate of Good Standing
G	Certificate of Insurance

TAB 3: BID/PROPOSAL SIGNATURE PAGE

How to submit bids/proposals: It is preferred that bids/proposals be submitted electronically at www.bidsync.com, unless otherwise stated in the bid packet. If mailing a hard copy, it will be the sole responsibility of the Bidder to ensure that the bid reaches the City of Fort Lauderdale, City Hall, Procurement Department, Suite 619, 100 N. Andrews Avenue, Fort Lauderdale, FL 33301, prior to the bid opening date and time listed. Bids/proposals submitted by fax or email will NOT be accepted.

The below signed hereby agrees to furnish the following article(s) or services at the price(s) and terms stated subject to all instructions, conditions, specifications addenda, legal advertisement, and conditions contained in the bid. I have read all attachments including the specifications and fully understand what is required. By submitting this signed proposal I will accept a contract if approved by the CITY and such acceptance covers all terms, conditions, and specifications of this bid/proposal.

Please Note: If responding to this solicitation through BidSync, the electronic version of the bid response will prevail, unless a paper version is clearly marked **by the bidder** in some manner to indicate that it will supplant the electronic version. All fields below **must** be completed. If the field does not apply to you, please note N/A in that field.

Submitted by: Edward Marquez March 29, 2011
(signature) (date)

Name (printed) Edward Marquez Title: Senior Vice President

Company: (Legal Registration) First Southwest Company

CONTRACTOR, IF FOREIGN CORPORATION, MAY BE REQUIRED TO OBTAIN A CERTIFICATE OF AUTHORITY FROM THE DEPARTMENT OF STATE, IN ACCORDANCE WITH FLORIDA STATUTE §607.1501 (visit <http://www.dos.state.fl.us/>).

Address: 18851 NE 29th Avenue, Suite 520

City: Aventura State: Florida Zip 33180

Telephone No. 305.819.8886 FAX No. 305.819.9992 Email: Edward.Marquez@firstsw.com

Delivery: Calendar days after receipt of Purchase Order (section 1.02 of General Conditions): OK

Payment Terms (section 1.03): OK (section 1.04): OK

Does your firm qualify for MBE or WBE status (section 1.08): MBE NO WBE NO

ADDENDUM ACKNOWLEDGEMENT - Proposer acknowledges that the following addenda have been received and are included in the proposal:

Addendum No. N/A Date Issued N/A

VARIANCES: State any variations to specifications, terms and conditions in the space provided below or reference in the space provided below all variances contained on other pages of bid, attachments or bid pages. No variations or exceptions by the Proposer will be deemed to be part of the bid submitted unless such variation or exception is listed and contained within the bid documents and referenced in the space provided below. If no statement is contained in the below space, it is hereby implied that your bid/proposal complies with the full scope of this solicitation. **HAVE YOU STATED ANY VARIANCES OR EXCEPTIONS BELOW? BIDDER MUST CLICK THE EXCEPTION LINK IF ANY VARIATION OR EXCEPTION IS TAKEN TO THE SPECIFICATIONS, TERMS AND CONDITIONS.** If this section does not apply to your bid, simply mark N/A in the section below.

Variations:
None



TAB 4: NON-COLLUSION STATEMENT:

By signing this offer, the vendor/contractor certifies that this offer is made independently and free from collusion. Vendor shall disclose below any City of Fort Lauderdale, FL officer or employee, or any relative of any such officer or employee who is an officer or director of, or has a material interest in, the vendor's business, who is in a position to influence this procurement.

Any City of Fort Lauderdale, FL officer or employee who has any input into the writing of specifications or requirements, solicitation of offers, decision to award, evaluation of offers, or any other activity pertinent to this procurement is presumed, for purposes hereof, to be in a position to influence this procurement.

For purposes hereof, a person has a material interest if they directly or indirectly own more than 5 percent of the total assets or capital stock of any business entity, or if they otherwise stand to personally gain if the contract is awarded to this vendor.

In accordance with City of Fort Lauderdale, FL Policy and Standards Manual, 6.10.8.3,

3.3. City employees may not contract with the City through any corporation or business entity in which they or their immediate family members hold a controlling financial interest (e.g. ownership of five (5) percent or more).

3.4. Immediate family members (spouse, parents and children) are also prohibited from contracting with the City subject to the same general rules.

Failure of a vendor to disclose any relationship described herein shall be reason for debarment in accordance with the provisions of the City Procurement Code.

<u>NAME</u>	<u>RELATIONSHIPS</u>
<u>N/A</u>	<u>N/A</u>
<u>N/A</u>	<u>N/A</u>
	<u>N/A</u>
	<u>N/A</u>

In the event the vendor does not indicate any names, the City shall interpret this to mean that the vendor has indicated that no such relationships exist.

Edward Marquez
Senior Vice President
18851 NE 29th Avenue, Suite 520
Aventura, Florida 33180
Edward.Marquez@firstsw.com
Phone: 305.819.8886 – Fax: 305.819.9992
March 29, 2011

Edward D. Stull
Managing Director
20 North Orange Ave., Suite 1209
Orlando, Florida 32801
Ed.Stull@firstsw.com
Phone : 407.426.9611 – Fax : 407.426.7835

City of Fort Lauderdale - City Hall
Procurement Services Department
100 North Andrews Avenue, Room #619
Fort Lauderdale, Florida 33301

Dear Selection Committee:

First Southwest Company ("FirstSouthwest") is pleased to present its proposal to serve the City of Fort Lauderdale (the "City") as its Financial Advisor. FirstSouthwest has 64 years of experience in providing financial advisory services to state and local governments nationwide and is well-suited to fulfill the City's financial advisory needs by offering the following advantages and benefits:

Florida Financing Experience

FirstSouthwest has served and currently serves a number of South Florida issuers, including the cities of Hialeah, Hialeah Gardens, Miami, Naples, North Miami, Oakland Park and West Palm Beach; the North Miami Community Redevelopment Agency and the Riviera Community Redevelopment Agency; Broward and Miami-Dade Counties; the Broward County Health Facilities Authority, Hialeah Housing Authority, Miami Health Facilities Authority, Miami Parking Authority, and the Miami-Dade County Expressway Authority. FirstSouthwest has and currently works with many other Florida issuers including the cities of Palm Bay, Sanford, Mount Dora, Edgewater, Lake Mary, Orlando, Cocoa Beach, Palm Coast, Crystal River, Pinellas Park, Port St. Lucie, Panama City, Inverness, and Fernandina Beach; the Counties of Charlotte, Citrus, DeSoto, Lake, Sarasota, Seminole, Martin, Taylor, Escambia, Bay, Indian River and Okaloosa; the Orlando-Orange County Expressway Authority; the Peace River/Manasota Regional Water Supply Authority; the Tampa-Hillsborough Expressway Authority; and the Florida Gas Utility.

National Financial Advisory Experience

FirstSouthwest has amassed a wealth of knowledge and experience in all types and roles of municipal financing. According to MuniAnalytics, from January 1, 2008 to December 31, 2010, FirstSouthwest served as financial advisor on the most debt issues in the nation, 2,326 transactions, totaling \$85.21 billion par amount – 30 of these transactions were for Florida issuers, totaling \$5.11 billion par amount.

Local Presence and Commitment to Florida Issuers

FirstSouthwest has maintained an office in the State of Florida since 1987 and currently has offices in Orlando and Aventura, employing six licensed bankers and three other full-time staff. We understand the nature of the work the City seeks and the professionals who are based in our South Florida office will coordinate and manage the City's engagement.

Financial Strength and Stability

On December 31, 2008, FirstSouthwest merged with PlainsCapital Corporation to bring together an array of complementary services and to create a diversified, independent financial services company with assets of \$3.9 billion and capital of \$489 million. FirstSouthwest maintains more than \$72 million in equity capital for its operations and the merger provides additional strength to one of the nation's most respected public finance advisory firms and investment banks.

Accountability and Transparency

FirstSouthwest believes that when an issuer is selecting a financial advisor, accountability and transparency are paramount. As a broker/dealer, FirstSouthwest is subject to the rules and regulations of various governmental bodies such as the U.S. Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"), among others, and we adhere to the rules of the Municipal Securities Rule Making Board ("MSRB").

FirstSouthwest is also a registered securities dealer under the SEC Act of 1934 and functions as a member of the Depository Trust Company and the National Clearing Corporation. Such heightened level of accountability and the transparency behind all of our advice and actions distinguish us from most other firms that propose to provide financial advisory services without being subject to such oversight and the capital requirements that go along with such regulation.

Financial reform is coming to the municipal marketplace and all financial advisory firms will come under greater regulatory supervision. Compliance to SEC and other rule-making entity mandates is expensive, time consuming and requires focus, time and effort by regulated companies. FirstSouthwest has the infrastructure already in place to stay fully compliant to such rules and regulations so the City can be assured that our focus on the City's needs will not be diverted.

Pricing Capabilities

FirstSouthwest provides our Florida clients with first hand market information directly from our own underwriting and trading desks. FirstSouthwest, on average, serves on more than 20 debt transactions per week. Access to direct, accurate market information is imperative in today's market environment and is especially important at the time of pricing when the consequences of only using historical information can be very costly to an issuer. We can cite numerous examples where our underwriting and trading desk has provided valuable information and recommendations that ultimately led to the lowest possible cost of borrowing for the issuer. The City can only benefit from the pricing capabilities of a fully operational desk.

Understanding of Scope of Services and Restrictions as to Serving as an Underwriter or Swap Counterparty

As we discuss further in "Tab 14 Cost Proposal", we fully understand the scope of service that City seeks and we commit to providing those financial advisory services to the City. We trust that our proposal demonstrates our ability to provide these services effectively and efficiently. Also, FirstSouthwest commits that it will not in any manner seek to serve as an underwriter or swap counterparty nor will it propose any financing transactions or terminate its contract with the City in any attempt to provide those services.

Business Philosophy

We are client driven – not product driven. Our business philosophy is simple: our clients' goals are our goals, and by providing them with access to our wealth of resources and experience firm wide while continuing to develop new resources, we are able to better meet our clients' needs. This philosophy is achieved by way of our team concept, whereby our professionals work collaboratively in an environment that attracts and retains talented professionals across the country. Our approach ensures objective advice that centers on lasting solutions that benefit our clients.

The team approach provides a higher level of experience, proficiency, and client service by matching our individual talents to the tasks at hand. We serve a number of cities and other municipal entities throughout the country and the collective expertise of our personnel is always available to be drawn upon.

As officers of the firm, we are certified to make representations for FirstSouthwest and are authorized to bind the firm. Should you have any questions regarding our response, please contact me at 305.819.8886.

Sincerely yours,


Edward Marquez
Senior Vice President


Edward Stull
Managing Director

Tab 6: Firm Overview

Provide a brief description of how your firm is organized, including the businesses in which it is engaged, the location of office(s), the number of public finance professionals in each office, and the role of the municipal department in your firm. Indicate your firm's commitment to the municipal bond industry and comment on any recent significant changes in your organization. Include a discussion of the specific expertise and services that distinguish your firm. State whether the firm is local, regional or national and submit evidence that the firm is a legal entity in the State of Florida.

Founded on March 22, 1946, FirstSouthwest has over six decades of experience providing financial advisory services to cities throughout the nation. While every city is unique and Fort Lauderdale is no exception, we believe that we have the experience and expertise to effectively and efficiently provide the financial advisory services contemplated by the City's requested scope of services.

FIRSTSOUTHWEST AT A GLANCE

Founded in 1946

Approximately 360 Employees Firm Wide

22 Offices in 11 States; 2 Offices in the State of Florida

#1 Financial Advisor in the Nation for Number of Issues *

Ranked among the top five financial advisors in Florida *

147 Employees in Public Finance

TEN "Deal of the Year" Awards

Reliable, Firsthand Market Information

* Source: MuniAnalytics 01/01/08 – 12/31/10

History of Firm

Since our inception, FirstSouthwest has played a pivotal role in shaping the landscape of public finance. In fact, FirstSouthwest was one of the earliest founders of the concept of the "financial advisor." During the 1940s and 1950s, the municipal securities industry was virtually unregulated and void of the oversight present today. FirstSouthwest recognized the need for governmental bond issuers to have knowledgeable and experienced advisors acting as their advocates during bond sales.

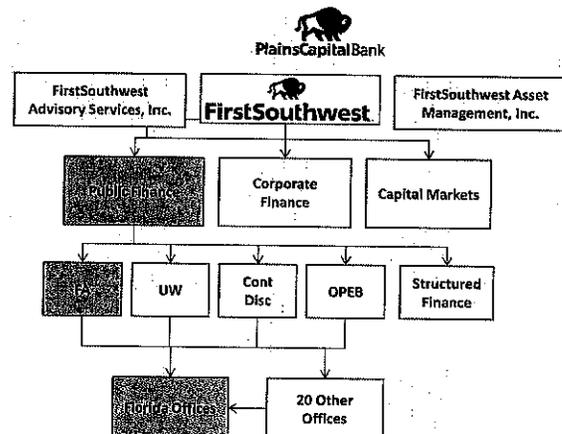
Since then, FirstSouthwest has earned a national reputation as a trustworthy firm focused on one mission: *to provide superior financial advisory services to our clients.* We take seriously the trust our clients place in our abilities, as we have helped meet the financial objectives of more than 1,600 governmental entities nationwide.

How we have grown. FirstSouthwest has grown over the years, both organically and through acquisition. To expand our resources and expertise further, in 1996 we acquired Houston-based Masterson Moreland Sauer Whisman Inc. FirstSouthwest then made the decision to expand our geographic presence to develop a broader base of experience and knowledge for the benefit of our existing clients. To accomplish this, we sought to acquire other firms whose high standards paralleled that of our own. In 2001, we acquired the New England financial advisory practice of Fleet Boston Financial Group and in 2004, we acquired New York-based Arimax. This growth added offices throughout New England, New York, California and Alaska. In 2003, FirstSouthwest acquired Friedman, Luzzatto & Co., a leading provider of equipment leasing services. We organically grew in Florida by establishing our offices in Orlando in 1987 and in Aventura in 1990.

In addition to external acquisitions benefiting our clients, we have strategically added departments internally in an effort to provide comprehensive services. Examples of this include adding departments related to arbitrage rebate in 1987; investment management in 1988; swap advisory in 1990; and continuing disclosure in 2002. Our proactive efforts related to expanding our service capabilities have withstood the growing complexity in the industry.

Organization of FirstSouthwest

On December 31, 2008, FirstSouthwest Holdings LLC ("Holdings"), the parent of FirstSouthwest merged with PlainsCapital Bank, a subsidiary of PlainsCapital Corporation. Holdings, FirstSouthwest and the two other wholly owned subsidiaries of Holdings (FirstSouthwest Asset Management, Inc. and FirstSouthwest Advisory Services Inc., a provider of pension evaluation services), are all based in Dallas, Texas. PlainsCapital Corp. is a privately held financial services company also headquartered in Dallas.



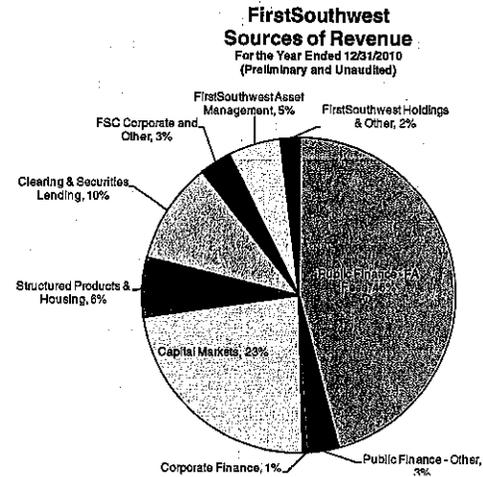
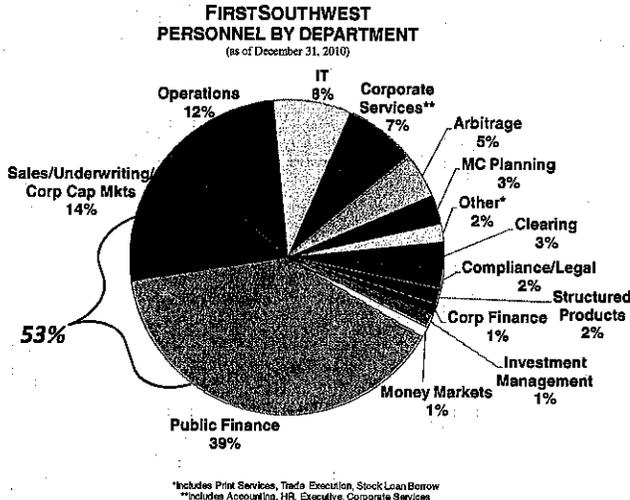


Since the merger of Holdings and PlainsCapital, there have been no other significant organizational changes.

Commitment to Public Finance

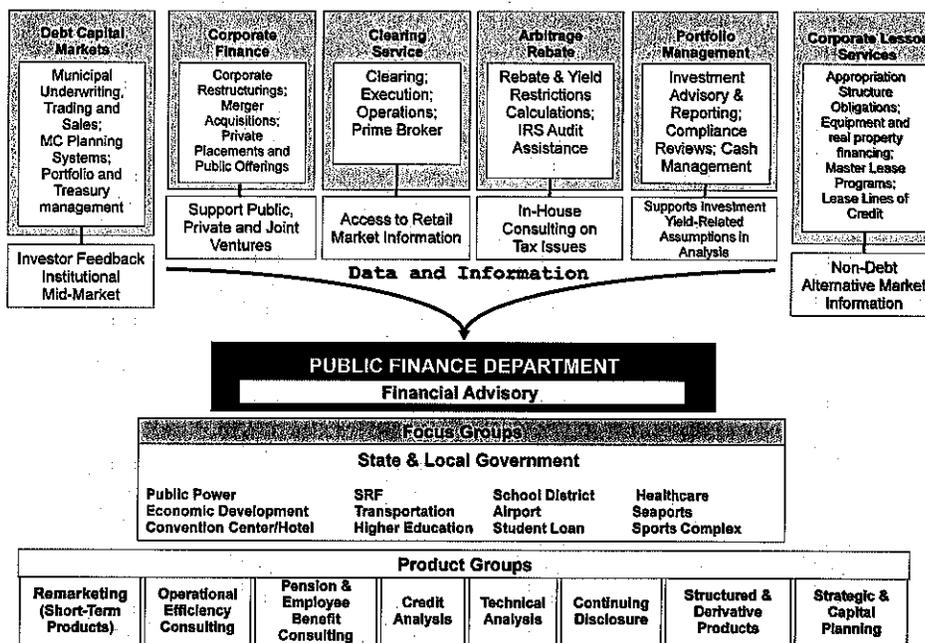
FirstSouthwest's Public Finance Department is the largest department in the firm. All of FirstSouthwest's branch offices and 39% percent of total staff firm-wide are dedicated exclusively to public finance, 53% of total personnel are dedicated to public finance or sales and underwriting. The

following graphs, which show the dispersion of personnel and revenue sources among the different service and support divisions of the firm, help illustrate the importance of public finance to FirstSouthwest. Providing the highest quality financial advisory services to issuers nationwide is our core business. Such commitment to the public sector ensures that the City will receive attention from all corners of FirstSouthwest.



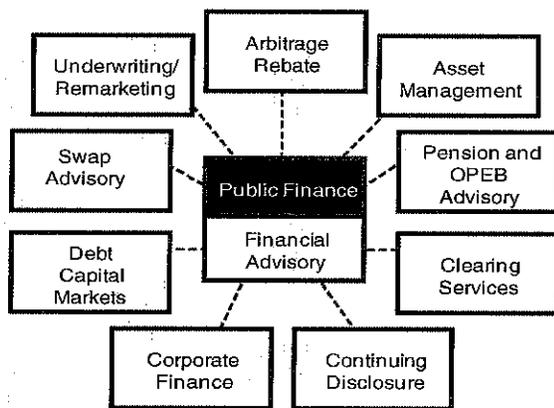
At FirstSouthwest, we organize our Public Finance Department by industry, region, and product, giving us a focus group for nearly every type of public entity: state and local government projects, power, water/wastewater, economic development, housing, education, state revolving funds, transportation, and healthcare. All areas of our firm will support our Finance Team as necessary when providing financial advisory services to the City.

Greatest Value in Financial Services



Other Areas of Business

While financial advisory is the core business of FirstSouthwest, we have responded to today's increasingly complex public finance landscape by raising the bar on the services, resources, and experience our firm offers. *In fact, FirstSouthwest is the most well-equipped and resourceful investment banking firm in the nation.* Our Public Finance Department is structured to provide clients with access to multiple professionals with expertise in diverse areas of finance: structured products, underwriting and trading, continuing disclosure, arbitrage rebate calculations, and investment management, among others.



The following table summarizes the volume of our participation providing these select services.

Type of Service	Volume of Participation
Arbitrage Rebate Calculation Services**	As of November 2010, provides calculations to 401 clients on more than 2,900 bond issues, totaling \$129 billion par amount
Continuing Disclosure Services**	As of November 2010, provides services for approximately 630 clients and annually files more than 750 reports
Investment Management**	As of September 30, 2010 actively manages \$6.3 billion for 33 state and local governments; also serves as the investment advisor for an additional \$5.4 billion
Structured Finance**	During the five-year period ending December 31, 2010, served as swap advisor on approximately 150 transactions, totaling \$13.34 billion in notional amount and served as bidding agent on approximately 320 transactions, totaling \$23.37 billion in bond proceeds

Underwriting*

During the five-year period ending September 30, 2010, served as senior or co-managing underwriter on 1,515 transactions totaling \$73.00 billion par amount

OPEB Consulting

Members of FirstSouthwest have reviewed over 1,100 pension and OPEB actuarial studies and related CAFRs. Our firm has worked with independent actuaries to review pension studies, including TMRS members. In some cases, there were material changes

Sources: *MuniAnalytics; **FirstSouthwest Internal Database

Arbitrage Rebate. FSAM's Arbitrage Rebate department assists municipalities in monitoring the investments of bond proceeds and performs annual calculations to ensure they retain their tax-exempt status. FirstSouthwest was the first investment banking firm in the nation to offer arbitrage rebate calculation services. In 2009, FSAM prepared 2,865 arbitrage rebate reports to 338 clients for bond issues totaling \$121.17 billion

Continuing Disclosure. The firm is one of the few financial advisors that offer a separate continuing disclosure service to assist municipal bond issuers with the required annual financial filings and ongoing material event notices.

Investment Management. FirstSouthwest Asset Management ("FSAM") provides investment management services and investment pool administration for the public sector. FSAM serves as either the investment manager or the investment advisor for **\$11.7 billion** in public funds.

Structured Finance: FirstSouthwest offers a full range of structured financial products designed to meet the balance sheet needs of our clients. The structured finance areas of expertise include swap advisory, online monitoring, accounting and consulting services, and bond proceeds management services. The structured finance desk has been helping governmental, not-for-profit, and for-profit issuers meet their financial objectives since 1992.

Underwriting: FirstSouthwest is one of the leading municipal underwriting firms, drawing national experience serving numerous types of entities.

Pension and OPEB Actuarial Services: Members of FirstSouthwest have reviewed over 1,100 pension and OPEB actuarial studies and related CAFRs, on the behalf of our local governmental clients, oftentimes in conjunction with independent actuaries. Many times, we have recommended

material changes to the pension plans or to the related studies which have resulted in long-term savings to our clients.

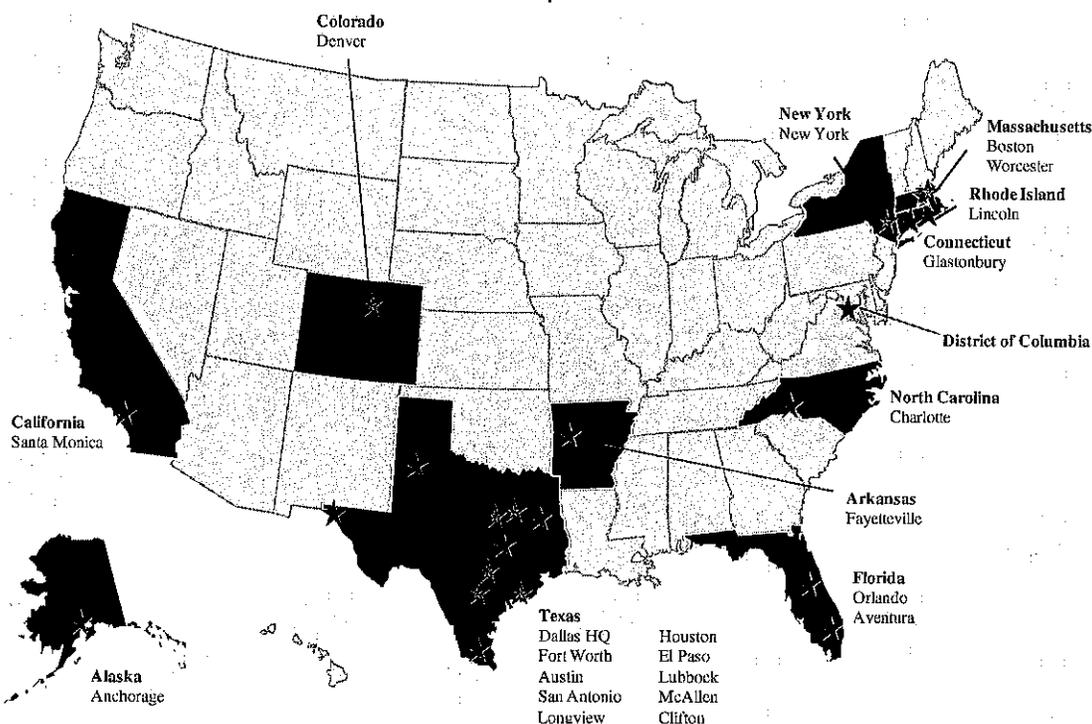
We frequently review CAFR and bond OS disclosures related to pension and OPEB. Our objectives include:

- Create disclosures which are current, clear, complete, and compliant with recent GASB changes.
- Enhance client understanding of their plans and actuarial reports.
- Improve discussions with rating agencies.
- Reduce potential problems for our clients.
- Identify concerns/questions regarding OPEB & pension plans/actuarial studies.
- Provide information to assist with planning & budgeting.
- Look for opportunities to reduce long term costs and annual budget volatility.
- Where potential problems are identified, discuss with client.

Office Locations and Staffing

The proposed financial advisory team will include personnel from our two Florida offices. Our local banking professionals will draw upon our nationwide network of banking, technical and analytical resources. By utilizing the expertise of our senior bankers and technical staff throughout the firm, the City will receive the full benefits of a national firm with the client-oriented approach of a local firm.

FirstSouthwest is headquartered in Dallas, Texas, and maintains 22 branch offices located in 11 states (Alaska, Arkansas, California, Colorado, Connecticut, Florida, Massachusetts, New York, North Carolina, Rhode Island and Texas) and Washington D.C. The following map illustrates FirstSouthwest's numerous office locations throughout the United States.



★ Office Location ★ Office Locations with Sales or Trading Personnel (Austin, Dallas (HQ), Denver, Houston, Ft. Worth, San Antonio, Boston, New York)

The following table lists the number of employees and public finance professionals we have in each office around the country.

FirstSouthwest Staffing by Office Location

Office	Number of Employees	Public Finance Professionals
Aventura, FL	3	2
Orlando, FL	6	4
Dallas, TX	230	51
Austin, TX	8	4
Clifton, TX	2	2
El Paso, TX	1	1
Fort Worth, TX	8	6
Houston, TX	37	23
Longview, TX	2	2
San Antonio, TX	10	5
Anchorage, AL	1	1
Boston, MA	15	10
Charlotte, NC	4	3
Fayetteville, AR	1	1
Glastonbury, CT	2	2
Lincoln, RI	6	6
New York, NY	15	8
Santa Monica, CA	4	3
Worcester, MA	1	1
Denver, CO	5	4
TOTAL	361	139

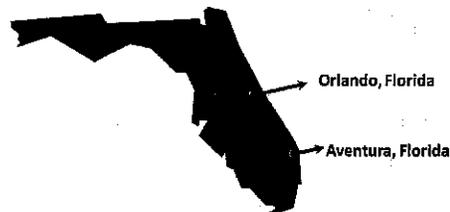
As of October 1, 2010

*There is a Lubbock, Texas office that is staffed on a periodic basis.

**Washington DC office opened as of January, 2011

Commitment to Florida

FirstSouthwest opened an office in the State of Florida in 1987 and currently has offices in Orlando and Aventura, employing six licensed bankers and three other full-time staff. The professionals who are based in our Aventura office will coordinate and manage the City's engagement with the support of our Orlando office. Our nine Florida-based personnel are dedicated solely to public finance operations.



Advantages of a Local Presence

FirstSouthwest's presence in the South Florida area provides distinct advantages to the City, including:

- Commitment of **local support** to the City, offering readily available resources. By virtue of an office in Aventura, we generally can be at the City's offices within 30 minutes.
- In-depth **knowledge of Florida issuers**, providing expertise that rivals that of any other firm.
- Familiarity with entities with which the City will need to associate. Our experience is constantly being built upon by participating in a **multitude of public finance engagements** for state, county, and city-level issuers within Florida, providing invaluable experience that will aid and benefit the City when securing funding for its infrastructure needs.

Evidence of Legal Entity in State of Florida

In *Appendix F*, we include a copy of our certificate of good standing from the State of Florida.

National Financial Advisory Expertise

FirstSouthwest consistently ranks among the top financial advisors in the nation for number of transactions. The collective experience of our firm extends to the issuance of many different types of municipal debt, including:

- General Obligation Bonds
- COPs
- Utility Revenue Bonds
- Special Tax Bonds
- Industrial Revenue Bonds
- Lease Purchase Bonds
- Bond Anticipation Notes
- Grant Anticipation Notes
- Limited Tax Notes
- Tax Anticipation Notes
- Revenue Anticipation Notes
- Variable Rate Bonds
- Mortgage Revenue Bonds
- Tax Increment Bonds
- Refunding Bonds
- Toll Road Bonds
- Taxable Bonds
- VRDOs
- Tax Increment Financing
- Commercial Paper

Appendix C

Water and Sewer Credit Statistics

Appendix C

Moody's Investors Service MFRA

21-October-2010

Analyst Adjusted - Issuer Summary

Credit

Fort Lauderdale (City Of) Water and Sewer Enterprise, FL

Senior Most Rating	Aa1				
Revenue Backed Rating Description	LT SR REV				
State	FL				
Selected Financials and other Datapoints	2005	2006	2007	2008	2009
Financial Data : Balance Sheet Data					
Total Current Cash, Cash Equivalents and Investments (\$000)	80,428	68,503	68,177	71,392	69,052
Total Current Assets (\$000)	142,095	112,198	121,516	155,430	123,961
Total Non-Current Assets (\$000)	394,762	464,551	613,626	750,641	783,150
Total Assets (\$000)	536,857	576,749	735,142	906,071	907,111
Total Current Liabilities (\$000)	29,557	42,832	60,322	50,027	30,608
Total Non-Current Liabilities (\$000)	103,460	116,764	237,654	397,612	407,792
Total Revenue Bonds (\$000)					
Total General Obligation-backed Bonds (\$000)					
Total State Loan/SRF Debt (\$000)					
Total Long Term Debt (\$000)	106,333	121,269	244,638	408,354	418,684
Total Liabilities (\$000)	133,017	159,596	297,977	447,639	438,401
Net Fixed Assets (\$000)	393,552	463,269	604,177	728,929	780,165
Total Net Assets (\$000)	405,783	418,540	439,609	460,518	469,639
Total Unrestricted Net Assets (\$000)	76,683	66,324	57,034	65,619	69,656
Total Net Assets Restricted for Debt Service (\$000)	165	1,068	7,082	18,522	18,757
Total Net Assets Restricted for Capital Projects (\$000)	7,542	9,363	5,362	5,044	4,923
Financial Data : Income Statement Data					
Total Operating Revenues (\$000)	77,194	75,216	77,983	84,838	94,555
Connection Fees (\$000)					
Gross Revenues (\$000)	82,204	82,549	83,941	88,157	96,468
Total O&M Expenses (\$000)	45,681	54,273	54,333	57,364	60,156
Depreciation & Amortization Expenses (\$000)	9,143	9,418	9,706	11,197	15,735
Total Operating Expenses, Including Depreciation and	54,824	63,691	64,039	68,561	75,892
Net Revenues (\$000)	36,522	28,276	29,607	30,793	36,312
Total Annual Senior Lien Debt Service (\$000)	5,549	5,536	10,765	15,420	21,466
Total Annual Debt Service (\$000)	6,040	6,055	12,573	18,404	28,085
Maximum Annual Debt Service (\$000)					
Net Working Capital (\$000)	115,415	73,679	68,300	117,299	106,424
Financial Data : Key Financial Ratios					
Operating ratio (%)	59.2	72.2	69.7	67.6	63.6
Net Take-Down (%)	44.4	34.3	35.3	34.9	37.6
Debt Service Safety Margin (%)	37.1	26.9	20.3	14.1	8.5
Debt Ratio (%)	20.9	22.4	35.5	46.3	45.1
Total Annual Senior Lien Debt Service Coverage (x)	6.58	5.11	2.75	2	1.69
Total Annual Debt Service Coverage (x)	6.05	4.67	2.35	1.67	1.29
Maximum Annual Debt Service Coverage(x)					
Net Working Capital as a Percentage of O&M (%)	252.7	135.8	125.7	204.5	176.9
Unrestricted Reserves as a Percentage of O&M (%)	176.1	126.2	125.5	124.5	114.8

Selected Financials and other Datapoints	Medlans	Raleigh W&S, NC	Charleston W&S, SC	Fort Lauderdale W&S, FL	Chandler W&S, AZ	Greensboro Combined Utility, NC	Tallahassee W&S, FL	Prince William County	Henrico County W&S, VA	Irving W&S, TX	Columbia W&S, SC	Salt Lake City W&S, UT
		2009	2007	2009	2009	2008	2009	2008	2008	2008	2009	2008
General Entity Information												
Current Senior Most Rating	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1
Revenue Backed Rating Description		LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV	LT SR REV
State		NC	SC	FL	AZ	NC	FL	VA	VA	TX	SC	UT
Financial Data : Balance Sheet Data												
Total Current Cash, Cash Equiv and Inv (\$000)	69,062	50,888	148,999	69,062	96,441	26,748	59,628	119,062	55,212	41,471	76,290	70,739
Total Current Assets (\$000)	105,283	89,568	279,663	123,961	110,588	50,628	239,284	178,207	79,922	83,313	106,283	81,055
Total Non-Current Assets (\$000)	631,572	1,187,615	844,364	783,150	631,572	664,816	474,587	808,485	2,085,900	394,962	533,501	428,236
Total Assets (\$000)	742,169	1,277,182	1,124,027	907,111	742,159	615,444	712,851	1,086,691	2,175,822	478,276	638,784	510,351
Total Current Liabilities (\$000)	30,942	733,430	38,779	30,808	38,748	15,818	57,054	30,942	40,068	22,714	22,353	10,049
Total Non-Current Liabilities (\$000)	225,354	608,676	481,032	407,792	287,140	236,737	225,354	188,632	183,559	183,850	118,249	65,804
Total Revenue Bonds (\$000)	282,969		500,530			298,886	236,253		182,448	181,550	128,141	
Total General Obligation-backed Bonds (\$000)	273					273						
Total State Loan/SRF Debt (\$000)	24,110					2,035		46,184				
Total Long Term Debt (\$000)	232,959	589,765	603,802	418,884	288,866	239,785	282,959	206,179	192,468	184,118	128,141	44,447
Total Liabilities (\$000)	252,556	1,342,106	527,811	438,401	325,888	252,555	282,406	229,574	223,627	216,584	140,802	75,853
Net Fixed Assets (\$000)	609,182	1,013,810	809,264	790,165	628,707	462,122	450,431	609,182	2,000,187	381,925	532,041	414,117
Total Net Assets (\$000)	489,639	622,563	650,802	469,639	424,866	367,301	438,019	834,519	971,870	285,166	506,540	442,120
Total Unrestricted Net Assets (\$000)	81,749	65,069	153,126	69,866	86,430	128,259	81,749	359,349	74,576	41,557	94,282	49,846
Total Net Assets Restricted for Debt Service (\$000)	19,489		30,794	18,757			20,399	20,180		9,482		9,486
Total Net Assets Restricted for Capital Projects (\$000)	10,161			4,923	0		15,339	22,250				
Financial Data : Income Statement Data												
Total Operating Revenues (\$000)	85,569	108,131	89,040	94,555	66,704	85,569	85,555	86,678	85,022	75,901	106,355	74,731
Connection Fees (\$000)	2,988	2,988	724				1,015	21,683	11,788			
Gross Revenues (\$000)	87,018	120,425	106,447	98,468	68,433	89,484	97,018	116,695	102,785	76,854	110,181	78,333
Total O&M Expenses (\$000)	52,239	87,978	45,100	60,156	48,748	51,262	59,882	58,539	52,057	50,304	57,713	52,239
Depreciation & Amortization Expenses (\$000)	18,788	27,145	19,077	15,735	31,100	15,437	10,331	18,788	25,609	12,319	19,817	10,458
Total Operating Expenses, Inc Dep and Amort (\$000)	75,327	115,121	84,177	75,892	79,848	66,699	70,313	75,327	77,667	62,624	77,330	62,695
Net Revenues (\$000)	37,036	32,448	60,347	38,312	19,586	38,223	37,036	60,156	50,728	26,580	52,469	24,084
Total Annual Senior Lien Debt Service (\$000)	15,353	13,660	28,755	21,466	12,531	14,822	14,038		15,885	18,440	17,291	5,110
Total Annual Debt Service (\$000)	17,500	17,722	28,755	28,085	24,710	16,231	14,036	14,828	17,500	18,440	17,291	5,110
Maximum Annual Debt Service (\$000)	18,511	42,740	39,776		39,941	7,599		12,883	16,531	18,511	21,666	5,189
Net Working Capital (\$000)	89,883	60,382	259,931	106,424	86,683	63,250	129,986	344,647	48,087	71,302	93,321	85,116
Financial Data : Key Financial Ratios												
Operating ratio (%)	66.3	89.6	50.7	63.6	74.2	59.9	69.3	61.1	61.2	66.3	54.3	69.9
Net Take-Down (%)	38.2	26.9	57.2	37.6	28.8	42.7	38.2	51.5	49.4	34.5	47.6	31.6
Debt Service Safety Margin (%)	24.6	12.2	30.0	8.5	-7.3	24.8	23.7	38.8	32.3	10.6	31.9	24.9
Debt Ratio (%)	38.9	54.9	46.0	45.1	41.8	45.6	36.6	19.8	8.2	38.9	20.5	7.0
Total Annual Senior Lien Debt Service Coverage (x)	2.48	2.38	2.10	1.69	1.57	2.58	2.64		3.19	1.44	3.03	4.72
Total Annual Debt Service Coverage (x)	2.35	1.88	2.10	1.29	0.80	2.35	2.64	4.08	2.90	1.44	3.03	4.72
Maximum Annual Debt Service Coverage (x)	2.4	0.8	1.5		0.5	5.0		4.7	3.1	1.4	2.4	4.6
Net Working Capital as a Percentage of O&M (%)	162.9	68.6	576.3	178.9	184.0	123.4	216.7	609.6	92.4	141.7	161.7	162.9
Unrestricted Reserves as a Percentage of O&M (%)	114.8	57.8	330.4	114.8	197.8	62.2	99.4	210.6	106.1	82.4	132.2	136.4

2.3	3.5	5.5	6.5	8.5	9.5	9.8	10.3	10.8	11.0	11.5	13.5	
Aaa.Q	Aa1.Q	Aa2.Q	Aa3.Q	A1.Q	A2.Q	A3.Q	Baa1.Q	Baa2.Q	Baa3.Q	SG1.Q	SG2.Q	SG3.Q

QRATE
Moody's Investors Service
QRATE
 Evaluated 25-October-2010
 Fort Lauderdale, FL
Water and Sewer Model

Moody's Rating	Aa1	Q-Rating	Aa2.Q	Aa2.Q
Rating Description	LT SR GO	Score	4.00	4.20
QRATE Inputs			Moody's Base Case	Base Case With \$80 MM New Debt
Issuer State			Florida	Florida
Enterprise Provides Sewer Service			Yes	Yes
Per Capita Income (2000 Census)			27,798	27,798
Total Assets (\$000)			907,111	907,111
Total Long Term Debt (\$000)			418,684	498,684
Total Operating Revenue (\$000)			94,555	94,555

Issuer Flexibility - In order to improve the accuracy of the predicted ratings, we have created a FinancialFlexibility variable that seeks to incorporate the ability of the issuer to manage its fiscal position in a timely manner. While most issuers have what we would identify as "Medium" flexibility, some issuers have the ability to raise revenues and/or cut expenditures expeditiously and therefore have a "High" level of operating flexibility. Conversely, many issuers are unable to raise property or sales tax rates due to various state and local regulations, or cannot reduce expenditures easily due to such factors as union representation of the work force or consent decrees from courts. In this case, we would assign a "Low" financial flexibility value to the FinancialFlexibility field.

The results generated by Moody's Quantitative Ratings Estimator (Moody's QRATE) may or may not reflect a Moody's rating actually assigned to such issuer whether or not the ultimate events related thereto differ materially from the factors used as inputs in Moody's QRATE. Material changes in such structures or scenarios, external factors, and the passage of time may also result in a Moody's rating which is different from the results generated by Moody's QRATE. The use of Moody's QRATE does not compel Moody's to assign a particular rating or any revision thereof to any of the issuers. Moody's may at any time refuse to issue any rating, or, if already issued, revise or withdraw such rating.

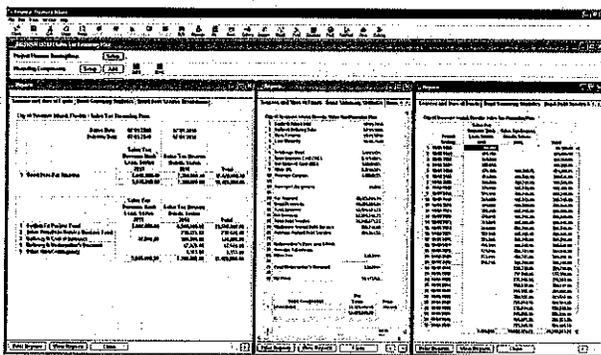
Tab 11: Advance and Current Refunding Experience

Provide a description of your proposed personnel's relevant experience over the last three years. Include a case study, if available, that illustrates your experience with relevant services where the proposed personnel have served as financial advisor.

In Tab #7 above and within the chart (starting on page 24) that shows our financial advisory experience over the past three years within the State of Florida, we denote by the letter 'R' the current and advanced refunding transactions on which the proposed personnel have worked.

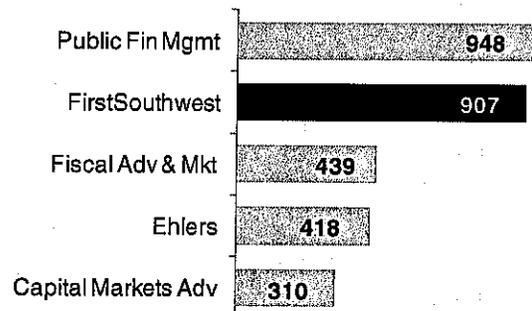
FirstSouthwest's proposed team possesses a wealth of knowledge and decades of experience with current and advance refunding transactions, including cross-over refundings. Knowing the integral tax implications, such as transferred proceeds, and other considerations are key to successfully identifying and executing the most efficient refunding transactions. We strive to provide our clients with up-to-date information on the market, and regularly provide refunding ideas to consider. By utilizing the industry leading financial software packages we are able to easily keep up with changing market conditions enabling our clients to capitalize on refunding opportunities when presented. The alternative use of various escrow securities, such as open market securities and SLGS, can add real savings to the bottom line of an advance refunding transaction. We continually evaluate the most current, market driven strategies to obtain the best savings possible for our clients.

Dashboard view of structuring software used to evaluate refundings and escrow structures



In the past three years, FirstSouthwest served as financial advisor on 907 current and advanced refunding transactions, totaling \$27.61 billion par amount nationally. According to MuniAnalytics, our level of participation ranks us as the **number-two financial advisor in terms of number of current and advanced refunding transactions completed nationally.**

National Financial Advisory Ranking for Advanced and Current Refundings January 1, 2008 – December 31, 2010



Source: MuniAnalytics

We offer the following case studies as examples of our refunding experience.

City of Miami, Florida



Issuance of the City's \$30,615,000 Non-Ad Valorem Variable Rate Refunding Bonds, Taxable Pension Series 2006 - These variable rate refunding bonds were issued pursuant to an exercised option under a Swaption Agreement that the City had executed with Morgan Stanley. The transaction locked in present values savings of in excess of \$5 million to the City's benefit (a percentage savings of 9.63% as measured against the refunded bonds). During the course of the transaction, we assisted the City to negotiate an improved annual debt service savings of \$50,000 per year during the life of the refunding bonds due to a technically deficient notice of exercise by the swap counterparty.

City of Ocoee, Florida



FirstSouthwest has provided financial advisory services to the City of Ocoee for several years. Most recently we advised on the refunding of the City's outstanding Water & Sewer

System Revenue Bonds, Series 1997 Bonds. The refunding of the Series 1997 bonds was a multi-year refinancing plan that took advantage of bank qualified interest rates and a declining interest rate environment. The initial refunding occurred in 2008 in an amount necessary to remain under the bank qualified limit at the time (\$10 million). The refunding in 2008 provided significant present value savings of 12% of the bonds refunded. Since the ARRA was enacted in 2009, the bank qualified limit was increased to \$30 million allowing the City to complete the remaining portion of the refunding sooner.

In November of 2010, FirstSouthwest assisted the City on refunding the remaining portion of the Series 1997 Bonds. Based upon the market environment at the time, we concluded that a privately placed bank financing would prove to be the most economically beneficial means to refinance the remaining Series 1997 Bonds.

At the time, banks were willing to provide more attractive interest rates on bank qualified loans than the capital market would provide for a Florida bank qualified bond issue. Additionally, the bank did not require a debt service reserve fund for the refunding. This was a significant benefit to the City because the issue size of the refunding was reduced, and the impact of negative arbitrage on the invested reserves was eliminated. The refunding in 2010 resulted in additional present value refunding savings in excess of 8.5% of the remaining bonds refunded.

The goal of the Series 1997 refunding plan was to provide economic savings to the City, while maintain flexibility. These goals were successfully accomplished with privately placed bank loans, and provided significant debt service savings to the City while maintaining future flexibility.



Tab 7: Personnel and References

Provide the names, education, background, and experience, as well as proposed roles and availability of the personnel that would work on the City's account, and specifically identify the primary person(s) who will be responsible for managing the relationship with the City. Identify who will provide any computer financial analysis services. A brief description of the type and size of transaction and the services you provided; and the names, titles, addresses and telephone numbers of the government officials primarily responsible for the transactions. Also include a list of your personnel's experience in the State of Florida and provide three (3) additional client references for your firm. Discuss your commitment to serving the City's financial advisory needs.

Financial Advisory Team

FirstSouthwest offers a staff of experienced and skilled professionals for its engagement with the City. The organization chart below sets forth how we plan to staff the engagement with the City:

Project Management

Mr. Edward Marquez and Mr. Edward Stull, having more than 47 years of combined experience serving issuers in the State of Florida, will serve as the Co-Project Managers for our engagement with the City. Being local, Mr. Marquez will serve more in a day-to-day role than Mr. Stull but both gentlemen will expedite the work effort required of FirstSouthwest on the City's behalf. They will meet with the City's staff and finance team together or individually and will make presentations as needed. They will, as needed, coordinate the efforts of FirstSouthwest's analytical, credit, trading and underwriting staff while communicating our efforts to the City. Both gentlemen can speak on behalf of the firm and can commit resources to ensure the needs of the City are being met in a timely manner.

As two of our firm's most established financial specialists, with specific expertise serving large issuers both throughout Florida and across the country, Mr. Marquez and Mr. Stull are highly qualified to assume the leadership roles on our finance team. Our level of senior manager commitment to Fort Lauderdale will ensue the full vetting of recommendations to be made to the City as well as full and timely coverage of the City's needs.

CO-PROJECT MANAGERS	
Edward Marquez Senior Vice President Aventura Office 23 Years of Experience	Edward D. Stull, Jr. Managing Director Orlando Office 24 Years of Experience

SENIOR & ANALYTICAL SUPPORT	
Lakshmi McGrath Vice President Aventura Office 23 Years of Experience	Joel Tindal Vice President Orlando Office 5 Years of Experience

PRICING SUPPORT	
LONG-TERM Peter B. Stare Senior Vice President Dallas Office 35 Years Experience	SHORT-TERM Donna Ciccimarro Vice President New York Office 23 Years Experience

SPECIALIZED SUPPORT	
DERIVATIVES David R. Brayshaw Senior Vice President Dallas Office 24 Years Experience	CREDIT Mary-Katherine C. Sells Vice President Dallas Office 18 Years Experience

ADDITIONAL SPECIALIZED SUPPORT	
ARBITRAGE REBATE William Johnson Senior Vice President Dallas Office 17 Years of Experience	DISCLOSURE Julie James Vice President Dallas Office 7 Years Experience

Qualifications of Project Managers

The following table summarizes the qualifications of Edward Marquez who will serve as a Co-Project Manager.

Edward Marquez Senior Vice President	Years' Experience	
	FirstSouthwest 12	Public Finance 23

QUALIFICATIONS

- Has served as financial advisor or placement agent on \$3.84 billion in debt issuances since 1998 and served as underwriter on an additional \$1.78 billion in financings
- Has more than 23 years experience in investment banking and public finance
- Joined FirstSouthwest in 1998
- While in the public sector, had lead responsibility for more than \$5.1 billion in debt issuance
- Former CFO of Miami-Dade Public School District
- Former City Manager for the City of Miami, Florida where he developed a Five-Year Financial and Operational Recovery Plan which was successfully implemented by the city.
- Former Finance Director for Miami-Dade County

The table below lists the financial advisory accounts that Edward Marquez has acted as lead project manager on beginning October 1, 2007 through January 31, 2011:

Sale Date	Issuer	Bond Description	Issue Size (\$ Millions)	Issue Description*	Sale Type*
01/05/11	Miami	Rev Note, Series 2010	50.00	NM	P
12/01/10	Fort Lauderdale Downtown Development Authority	Extension of Maturity of GO Bds	10.00	RF	P
07/22/10	Miami	Spec Oblig Prking Rev Nds S10A&B	101.37	NM	N
01/26/10	North Miami, FL	S10 Fixed Rate Refunding of S02 Pension	17.69	RF	P
11/19/09	City of Miami	Spec Obliga Bds, 09 (Street & Sidewalk)	65.00	NM	N
10/23/09	Miami Parking Authority	Parking Sys Rev & Rev Rfdg Bonds 09	60.11	NM & RF	N
10/23/09	Miami Parking Authority	Parking Sys Rev & Rfdg Bds 09 Txbl	6.49	NM & RF	N
07/10/09	Miami	Rfdg Rev BdsTxbl Pension 09	37.43	RF	N
05/19/09	Miami	Lmted Ad Valorem Tax Bds 09 (Homeland Sec	51.06	NM	N
03/25/09	Miami	City of Miami Sunshine State, Series 09	20.00	NM	P
08/20/08	Miami Parking Authority	Tax Exempt VR Parking Sys Rev Rfdg Bds,	37.07	RF	N
08/20/08	Miami Parking Authority	Taxable VR Parking Sys Rev Rfdg Bds, S08	3.88	RF	N
08/14/08	Miami	Sunshine State Loan 08	42.50	NM	P



Sale Date	Issuer	Bond Description	Issue Size (\$ Millions)	Issue Description*	Sale Type*
06/12/08	Bay Harbor Islands	Bay Harbor Parking Garage Bank Loan 08	4.94	NM	P
05/12/08	Miami Health Facility Authority	Health System Revenue Bds, CHE, Sr 08	36.42	NM	N
02/28/08	North Miami, FL	Sewer Rehab Bank Loan 08	4.00	NM	P
02/28/08	North Miami, FL	Pepper Park Improvement Bank Loan 08	5.28	NM	P
01/07/08	Miami Health Facility Authority	Revenue Bonds 08 (Mercy Hospital Proj)	30.00	NM	N
12/14/07	Miami Health Facility Authority	Revenue Bonds 07 (Mercy Hospital Proj)	30.00	NM	N
11/15/07	Miami	Spec Obligation Bds 07(Street&Sidewalk)	80.00	NM	N
10/27/07	North Miami	North Miami/School Board Bank Note 06	\$124.00	NM	N
10/03/07	Miami	Sunshine State Loan 07	6.00	NM	P

TOTALS

\$823.24

*Key: N: Negotiated, R: Remarketing, NM: New Money, RF: refund P: Private Placement C: Competitive

Mr. Edward Marquez provided consulting services to the following clients:

- West Palm Beach Hotel
- Florida Port Financing Community
- City of Doral
- Fort Lauderdale Downtown Dev Authority
- Miami Parking Authority
- Riviera Beach Community Redevelopment Agency
- North Miami Community Redevelopment Agency
- North Miami, FL
- Bay Harbor Islands
- City of Miami
- Fort Lauderdale Downtown Development Authority
- City of Hialeah, FL
- Hialeah Housing Authority
- Oakland Park, FL
- Sunny Isles Beach, FL

The following table financial advisory summarizes the qualifications of Edward Stull who will serve as a Co-Project Manager.

Edward Stull Managing Director	Years' Experience	
	FirstSouthwest	Public Finance
	9	24

QUALIFICATIONS

- Has served as financial advisor or placement agent on \$7.8 billion in debt issuances and served as underwriter or lender on an additional \$5.1 billion in financings
- Has more than 24 years experience in investment banking and public finance
- Joined FirstSouthwest in 2001
- Served as a relationship manager with SunTrust Bank specializing in direct bank loans, letters of credit, liquidity facilities, investments, cash management and interest rate hedging products
- Served as the lead financial advisor on the \$1.07 billion financing for the Orlando-Orange County Expressway Authority, a complex financing that received recognition as *The Bond Buyer's* "Deal of the Year" as one of the 10 most innovative deals in the country for 2003



The following table lists the financial advisory accounts that Edward Stull has acted as lead project manager on beginning October 1, 2007 through January 31, 2011:

Sale Date	Issuer	Bond Description	Issue Size (\$ Millions)	Issue Description *	Sale Type *
01/14/11	Tampa-Hillsborough County Expressway	Cash Defeasance, S11	60.00	RF	O
12/15/10	Sarasota Co, FL	Util Sys Rev S2010 Txbl BABs	46.66	NM	N
12/10/10	Sarasota Co, FL	Ltd Ad Valorem Series 2010 Bank Note	15.36	NM	P
12/07/10	Sarasota Co, FL	Comm Srvs Tax Rev S2010 Txbl (BABs)	18.76	NM	N
12/02/10	Sarasota Co, FL	Cap Imp Bds, S10B RZEDB)	10.27	NM	N
12/02/10	Sarasota Co, FL	Cap Imp Rev Bds Txbl (BABs), S10A	9.38	NM	N
11/16/10	Martin Co, FL	Util Sys Rfdg Rev Note S10	16.90	R	P
10/27/10	Martin Co, FL	Cap Imprv Rev Note S10	3.05	NM	P
10/21/10	Palm Bay, FL	Pub Srvs Tax Rev Bds S10 (BABs) (RZEDB)	5.49	NM	N
10/20/10	Fernandina Beach, FL	Cap Imprv Rfdg Rev Note S10	6.60	R	P
10/20/10	Fernandina Beach, FL	GO Rfdg Note S10	4.03	R	P
10/18/10	Sarasota Co, FL	Recovery Zn Fac Rev (Tervis Tumbler) S10	7.50	NM	P
09/17/10	Sarasota County	Revenue Bonds, Series 2010B (Manatron System)	3.04	NM	P
09/17/10	Sarasota County	Revenue Bonds, Series 2010A (Data Center)	2.35	NM	P
06/10/10	Illinois State Toll Highway Auth	Toll Hwy Sr Rfdg Rev Bds	279.30	RF	N
06/18/10	Sarasota Co, FL	Ed Fac Rev Bds S10 (Sch of Arts & Sciences)	11.04	NM & RF	N
03/25/10	Rhode Island Turnpike and Bridge Authority	Rev Bds S10A	50.00	NM	N
03/22/10	Sarasota Co, FL	Recovery Zone Fac Rev Bds (JDL Proj) S10	8.00	NM	P
03/03/10	Cocoa Beach, FL	Util Sys Rv Rfdg S02 Cash Defeasance 10	1.88	RF	P
02/16/10	Sebastian, FL	Gas Tax Revenue Note, S10	2.46	NM	P
01/28/10	Fernandina Beach, FL	Util Sys Sub Rev Bds S10	5.21	NM	N
10/16/09	Martin Co, FL	Utility Sys Imp Rev Bds 09A	7.99	NM	N



10/20/09	Martin Co, FL	Util Sys Ref Rev Bds, S09B	28.67	RF	N
07/31/09	Indian River Co, FL	W&S Rev Rfdg Bonds 09	26.37	RF	N
06/16/09	Sarasota Co, FL	Sp.Assess Rev Note (S Siesta Bch) S09	2.01	NM	P
05/07/09	Fernandina Beach, FL	Marina Revenue Note, S09 Bank Loan	1.30	NM	P
02/13/09	Palm Bay, FL	Special Assessment Bds, S09	3.93	NM	P
12/19/08	Martin Co, FL	Lease Purchase Financing, S08	4.81	NM	P
12/05/08	Sarasota Co, FL	Infrastructure Sales Surtax Bds 08B	69.89	NM	N
09/11/08	Sarasota Co, FL	Infrastructure Sales Surtax Bonds S08A	73.99	NM	N
07/02/08	Fernandina Beach, FL	Revenue Note, S08	0.29	NM	P
02/22/08	Sarasota Co, FL	Ltd Ad Val Tax Bds (ESLPP/Parkland) S08	83.600	NM	N
02/25/08	Sarasota Co, FL	Rev Bds (Sarasota Military Academy) S08	4.20	NM	P
01/16/08	Palm Bay, FL	Txbl Spec Obligations 08 (Pension Fund)	38.34	NM	N
12/18/07	Martin Co, FL	Infrastructure Surtax Revenue Note 07	25.00	NM	P
TOTALS			\$937.67		

*Key: N: Negotiated, R: Remarketing, NM: New Money, RF: Refunding P: Private Placement C: Competitive

Other Core Advisory Team Members

Mr. Joel Tindal in our Orlando office will be the primary provider of financial analysis services to the City. Lakshmi McGrath from the Aventura office will serve as a back-up provider for financial analysis as well as assist Mr. Marquez in ensuring that the day-to-day needs of the City are addressed.

At FirstSouthwest, our corporate infrastructure is designed to accommodate all facets of a client's financial advisory service needs. The depth and breadth of the firm's resources thrive in the hands of highly knowledgeable senior-level executives who possess years of public finance experience. This ensures each client that our firm has the support capacity and available resources to perform effectively as financial advisor. As such, we carefully consider an issuer's

needs when developing the finance team. Team assignments are meticulously evaluated to make certain the Project Managers and other key personnel have the appropriate industry expertise, bandwidth, and redundancy to devote ample time and resources to the engagement, ensuring its success.

The professionals listed in the organizational chart on page 13 will be involved in our engagement with the City and we affirm that they will be readily available to fulfill the expectations of the City and will be fully committed to serving the City's financial advisory needs.

Detailed resumes, which include each individual's formal education and specific experience follows:

Resumes of Key Personnel



Edward Marquez
Senior Vice President

18851 NE 29th Avenue, Suite 520
Aventura, Florida 33180

Telephone: 305.819.8886
edward.marquez@firstsw.com

Areas of Focus

Specializes in airport, seaport, transportation and general government financings

Profile

- Has 23 years experience in investment banking and public finance
- Joined FirstSouthwest in 1998
- Senior advisor on more than \$5.1 billion in debt issuance
- Former CFO of Miami-Dade Public School District
- Former city manager for the City of Miami, Florida
- Former finance director for Miami-Dade County

Education

- Bachelor of Business Administration in Accounting, Florida International University

Current Affiliations

- Government Finance Officers Association
- United Way Trustee

Past Affiliations

- Florida International University Council of 100

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority
 - Series 7 license, General Securities Representative
 - Series 63 license, Uniform Securities Agent
 - Series 79 license, Investment Banking Representative



Ed Stull
Managing Director

20 North Orange Avenue,
Suite 1209
Orlando, Florida 32801

Telephone: 407.426.9611
ed.stull@firstsw.com

Areas of Focus

Specializes in the areas of transportation and toll financing ; cities; counties; water, sewer and storm water utilities; special assessments; CRAs; and not-for-profit organizations

Profile

- More than 24 years experience in banking and public finance
- Joined FirstSouthwest in 2001
- Has provided services for issuers such as the Cities of Palm Bay, Miami, Orlando, Port St. Lucie, Cocoa Beach, and Fernandina Beach, Florida; Sarasota County; Martin County; Indian River County; Taylor County; Lake County; Orlando-Orange County Expressway Authority; Oklahoma Turnpike Authority; New York State Thruway Authority; Illinois State Toll Highway Authority; Buffalo and Fort Erie Public Bridge Authority (Peace Bridge); Tampa-Hillsborough County Expressway Authority; Miami-Dade County Expressway Authority; and the Florida Ports Financing Commission
- Prior to joining FirstSouthwest, Ed served as a relationship manager with SunTrust Bank where he specialized in providing direct bank loans, letters of credit, liquidity facilities, investments, cash management and interest rate hedging products to a variety of clients in the governmental and institutional markets
- Served as banker and financial advisor for two regional investment banking firms

Accomplishments

- In 2003, Ed served as the lead financial advisor on the \$1.07 billion financing for the Orlando-Orange County Expressway Authority, a complex financing that received recognition as *The Bond Buyer's* "Deal of the Year" as one of the 10 most innovative deals in the country for 2003

Education

- Bachelor of Science in Finance, University of Florida

Current Affiliations

- International Bridge, Tunnel and Turnpike Association
- Florida Citrus Sports

Past Affiliations

- Central Orlando Kiwanis Club, past treasurer
- Central Florida Crimeline, board member
- Heart of Florida United Way, Fund Distribution Committee

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Municipal Securities Principal, Series 53
 - Uniform Securities Agent, Series 63
 - Investment Banking Representative, Series 79



Lakshmi McGrath
Vice President

18851 NE 29th Avenue, Suite 520
Aventura, Florida 33180

Telephone: 305.819.8886
lakshmi.mcgrath@firstsw.com

Areas of Focus

Specializes in public finance

Profile

- Joined FirstSouthwest in 1998
- Has been in the municipal business since 1987
- Serves as financial advisor to issuers including Miami International Airport, Miami-Dade County Expressway Authority, Housing Finance Authority of Lee County, and other South Florida issuers
- Provides quantitative financial analysis, models proposed financing structures, analyzes credit and cash flow, reviews legal documentation, prepares rating agency and bond insurer presentations,

obtains credit enhancement, and oversees the general processing of financings

- Involved in more than \$6 billion in new money, refunding, variable rate debt issuances, and over \$2 billion in commercial paper transactions
- Previously served as the lead banker in a wide array of financings for Florida issuers, including utility systems, ad valorem and non-ad valorem issues, and many other types of general governmental financings, as well as many financings in specialized sectors such as housing, transportation, and healthcare
- Previously served as Vice President in the Corporate Trust department at First Union National Bank and administered a large diverse portfolio of bond issues for major Florida and Georgia issuers (specialization in Housing)
- Has more than 16 years of banking, trust operations and administration experience in both corporate and consulting environments
- Has worked for the First Union National Bank, Federal Reserve Bank of Atlanta/Miami Branch, Southeast Bank, N.A., Bradford Trust, FIDATA Trust, Wall Street Trust, and Bank of New York (which acquired Wall Street Trust)

Education

- Bachelor's degree in Mathematics, Rutgers University

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Uniform Securities Agent, Series 63
 - Investment Banking Representative, Series 79



Joel Tindal
Vice President

20 North Orange Avenue, Suite 1209
Orlando, Florida 32801

Telephone: 407.426.9611
joel.tindal@firstsw.com

Areas of Focus

Specializes in public finance

Profile

- Joined FirstSouthwest in 2005
- Provides quantitative financial analysis, models proposed financing structures, analyzes credit and cash flow, reviews legal documentation, prepares rating agency and bond insurer presentations, obtains credit enhancement, and contributes to the general processing of financings
- Participated in over \$5 billion in municipal transactions including fixed and variable rate municipal bonds, private placements, and interest rate swaps

Education

- Bachelor of Science in Business Administration majoring in Finance, University of Florida

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Uniform Securities Agent, Series 63
 - Investment Banking Representative, Series 79



Peter B. Stare
Senior Vice President

325 North St. Paul Street, Suite 800
Dallas, Texas 75201

Telephone: 214.953.4040
peter.stare@firstsw.com

Area of Focus

Municipal bonds

Profile

- Joined FirstSouthwest in 1996
- Responsible for the competitive and negotiated underwriting efforts of both tax-exempt and taxable municipal issues
- Has been involved in the securities industry since 1974 in the areas of sales, trading, underwriting, and portfolio management
- Worked with several regional and nationally recognized firms managing their trading desks, municipal bond departments, and investment divisions

Education

- Bachelor of Business Administration, Southern Methodist University

Past Affiliations

- The Municipal Advisory Council of Texas, board member
- Municipal Bond Clubs of Dallas and Houston, president

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Municipal Securities Principal, Series 53
 - Uniform Securities Agent, Series 63



Donna Ciccimarro
Vice President

250 West 57th Street, Suite 1420
New York, New York 10107

Telephone: 212.474.8823
donna.ciccimarro@firstsw.com

Areas of Focus

Tax-exempt money market trading and underwriting

Profile

- Joined FirstSouthwest in May 2009
- Has worked in the municipal securities industry for 23 years
- Previously worked at JPMorgan where she managed and traded the tax-exempt and taxable municipal CP portfolio authorized at more than \$14 billion
- Worked as a senior institutional salesperson, distributing tax-exempt money market products to many of the largest domestic money fund customers and corporations
- Worked with issuer clients including the City of Houston, New York City Municipal Water, University of Texas, Texas Public Finance Authority, Harvard University, University of California, City Public Service of San Antonio, South Carolina Public Service, JEA, San Antonio

Water, the State of California, NYS Power Authority, Texas A&M, and Stanford University

- Began her career in the municipal industry at Merrill Lynch where she was a trader and underwriter in the short-term group, managing \$13 billion portfolio of variable rate products comprised of weekly and daily VRDBs, tax-exempt commercial paper, and put bonds
- Served as a municipal marketing specialist to the retail sales force, analyzing municipal bond portfolios and making recommendations pertaining to individual investors' specific needs

Education

- Bachelor's degree in English Education, Monmouth University; Cum Laude

Current Affiliations

- Municipal Bond Women's Club of New York, board member

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Uniform Securities Agent, Series 63



David Brayshaw
Senior Vice President

325 N. Saint Paul Street, Suite 800
Dallas, Texas 75201

Telephone: 214.953.4020
dave.brayshaw@firstsw.com

Area of Expertise

Structured finance specialist focusing on municipal investment products and municipal derivatives

Profile

- Has 24 years structured finance experience
- Joined FirstSouthwest in 1992
- His responsibilities have included trading government guaranteed loans and pools; structuring refunding issues for outstanding municipal debt, engineering single family

mortgage revenue issues; and designing/selling various asset backed securities transactions

- Provides analytical expertise and development support for the firm's in-house software and proprietary trading models
- Manages portfolio performance and structures derivative products
- Former member of the financial engineering team at the Federal Home Loan Bank of Dallas where he was responsible for:
 - Trading and hedging portions of the bank's mortgage backed securities portfolio
 - Measuring and adjusting the bank's interest rate swap portfolio with respect to hedge relationships and potential counterparty risk exposure
 - Implementing and maintaining hedging strategies using swaps, futures, and forward rate agreements

Education

- Master of Business Administration in Finance, Texas Christian University
- Bachelor of Business Administration in Finance, Texas Christian University

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Uniform Securities Agent, Series 63
 - Investment Banking Representative, Series 79



Mary-Katherine C. Sells
Vice President

325 North St. Paul Street, Suite 800
Dallas, Texas 75201

Telephone: 908.766.7100
marykatherine.sells@firstsw.com

Areas of Focus

Specializes in public finance

Profile

- Joined FirstSouthwest in 2005 as a vice president in credit research

- Has worked extensively with local governments, utilities, school districts, and other nonprofit entities preparing credit evaluations
- Compiles detailed reviews, including credit assessments and debt capacity studies, in areas including higher education, healthcare, and other not-for-profit institutions
- Provides credit analysis for other governmental entities, including municipalities, counties, enterprise systems, and transportation issuers
- Has compiled and produced rating and enhancement presentations for healthcare, higher education, local government, school district, and utility clients
- Provided credit support for ongoing client requests
- Previously worked at George K. Baum and Company in Denver for 16 years and responsible for credit and debt capacity evaluation for a diversity of sectors
- Worked with Mobil Oil Corporation in their production and exploration division

Education

- Bachelor of Science, Boston College
- Master of Business Administration, University of Denver

Current Affiliations

- National Federation of Municipal Analysts (NFMA)
- NFMA Board of Governors (2009-2010)
- GASAC (GASB) Member (2010-2011)

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Representative, Series 7
 - Uniform Securities Agent, Series 63
 - Investment Banking Representative, Series 79



William (Bill) Johnson, CPA
Senior Vice President

325 North St. Paul Street, Suite
800
Dallas, Texas 75201

Telephone: 214.953.8817
william.johnson@firstsw.com

Areas of Focus

Arbitrage rebate

Profile

- Joined FirstSouthwest in October 2006
- Has more than 15 years of experience with federal taxation and arbitrage rebate
- Serves as the primary contact for issuers and provides technical support to the Rebate Compliance group
- Has provided arbitrage consultation and education services to clients, explaining the application of the arbitrage regulations and assisting issuers with the implementation of computational/internal reporting procedures to ensure their compliance with the rebate requirements
- Worked with clients to re-engineer their data gathering efforts to reduce the time and effort required to gather and assemble rebate calculation information
- Has high-volume data gathering and conversion experience, as well as large project management experience
- Worked previously at Arthur Andersen in their Municipal Bond Services Group and for BondResource Partners (the Arthur Andersen successor).

Education

- Bachelor of Business Administration in Accounting, Southern Methodist University
- Master of Science in Taxation, Texas Tech University

Current Affiliations

- National Association of Certified Public Accountants
- Texas Society of Certified Public Accounts

Past Affiliations

- Texas Instruments Incorporated
- Arthur Andersen LLP
- BondResource Partners LLP

Licenses Held

- Registered Representative of the Financial Industry Regulatory Authority (FINRA)
 - General Securities Principal, Series 24
 - General Securities Representative, Series 7
 - Uniform Securities Agent, Series 63
- Licensed Certified Public Accountant



Julie James
Vice President

325 North St. Paul Street, Suite 800
Dallas, Texas 75201

Telephone: 214.953.8701
julie.james@firstsw.com

Areas of Focus

Continuing Disclosure services

Profile

- Joined FirstSouthwest in November 2003
- Primary duties in the Continuing Disclosure Department include training related to continuing disclosure, preparing reports and material event notices as well as determining each client's disclosure compliance through the five-year look-back process.

Education

- Bachelors of Business Administration, University of Missouri-Columbia.

Project Managers' References

FirstSouthwest believes that strong recommendations from our clients are the most accurate indications of our firm's level of service and expertise. The following are selected client references for which our primary contacts for the City have provided similar general financial advisory services.



City of Miami, Florida

Mr. Larry Spring
Chief Financial Officer
Telephone: 305.416.1011

Mr. Pete Chircut
Treasurer
444 Northwest 2nd Avenue
Miami, Florida
Telephone: 305.416.1945



City of Palm Bay, Florida

Lee Feldman
City Manager
120 Malabar Road, SE
Palm Bay, Florida
Telephone: 321.952.3412



Fort Lauderdale DDA

Chris Wren
Executive Director
305 South Andrews Avenue
Fort Lauderdale, FL 33301
Telephone: 954-463-6574



Sarasota County, Florida

Richard Gleitsman
Budget Process Coordinator, Fiscal Planning
1660 Ringling Blvd., Suite 400
Sarasota, Florida 34236
Telephone: 941.232.6112



Miami Parking Authority

Scott Simpson
Finance Director
190 N.E. Third Street
Miami, Florida 33132
Telephone: 305.373.6789 ex 233



City of Fernandina Beach, Florida

Patricia Clifford
Controller
204 Ash Street
Fernandina Beach, Florida 32034
Telephone: 904.277.7311



North Miami CRA

Tony E. Crapp, Sr.
Executive Director
615 N.E. 124th Street
North Miami, Florida 33161
Telephone: 305.899.0272

Firm References



Miami-Dade County Aviation Department

Anne Syrcle Lee
Chief Financial Officer
 PO Box 025504
 Miami, FL 33102
 Telephone: 305.876.7730



City of Hialeah Gardens, Florida

Marcos Piloto
Director of Finance
 10001 NW 87th Avenue
 Hialeah Gardens, Florida 33016
 Telephone: 305.558.4114 x213



City of Irving
Tommy Gonzalez
City Manager
 825 W. Irving Blvd.
 Irving, Texas 75060
 Telephone: 972.721.2586

The proposed project team members have worked on the following executed transactions within the State of Florida since February 1 2008:

Financial Advisory Experience of FirstSouthwest in the State of Florida February 1, 2008 – January 31, 2011

Sale Date	Issuer	Issue Description	Par Amount (\$ millions)	Issue Type *
01/14/11	Tampa Hillsborough County Expressway Authority	Cash Defeasance, S11	\$60.00	R, O
01/05/11	City of Miami	Rev Note, Series 2010	\$50.00	NM, TE
12/30/10	City of Haines City	Capital Improvement Rev. Bds S10	\$11.75	NM, T
12/28/10	Orange county Industrial Development Authority	Rfdg Rev Bonds, S10B	\$12.18	R, TE
12/28/10	Orange county Industrial Development Authority	Rfdg Rev Bonds, S10A	\$10.10	R, TE
12/21/10	Venice, FL	Stormwater Rfdg, Bd S10	\$0.94	R, TE
12/15/10	Sarasota Co, FL	Util Sys Rev S2010 Txbl BABs	\$46.66	NM, T
12/10/10	Sarasota Co, FL	Ltd Ad Valorem Series 2010 Bank Note	\$15.36	NM, TE
12/07/10	Sarasota Co, FL	Comm Srvs Tax Rev S2010 Txbl (BABs)	\$18.76	NM, T
12/07/10	DeSoto County	Cap Imp Rfdg Rev Note, S10	\$15.45	R, TE
12/02/10	Sarasota Co, FL	Cap Imp Bds, S10B RZEDB)	\$10.27	NM, T
12/02/10	Sarasota Co, FL	Cap Imp Rev Bds Txbl (BABs), S10A	\$9.38	NM, T
12/01/10	Fort Lauderdale Downtown Development Authority	Extension of Maturity of GO Bonds	\$10.00	O
12/01/10	Bay County	Utility Sys Rev BAN, S10 Extension	\$21.00	O



Sale Date	Issuer	Issue Description	Par Amount (\$ millions)	Issue Type *
11/23/10	City of Edgewater	Guaranteed Entitlement Rev Note, S10	\$0.75	NM
11/19/10	Okeechobee Utility Authority	Utility Sys Cap Imp Rfdg Rev Note S10B	\$10.05	R, TE
11/19/10	Okeechobee Utility Authority	Utility Sys Cap Imp Rfdg Rev Note S10A	\$16.16	R, TE
11/17/10	City of Ocoee	Water and Sewer Sys Rfdg Rev Note, S10	\$2.07	R, TE
11/16/10	Martin Co, FL	Util Sys Rfdg Rev Note S10	\$16.90	R R, TE
11/10/10	Pace Property Financing Authority	Utility Sys Rfdg Rev Bds, S10	\$4.35	R, TE
10/27/10	Martin Co, FL	Cap Imprv Rev Note S10	\$3.05	NM, TE
10/21/10	Palm Bay, FL	Pub Svcs Tax Rev Bds S10 (BABs) (RZEDB)	\$5.49	NM, T
10/21/10	Peace River/Manasota Regional Water Supply Authority	Utility Sys Rev Bds, S10A	\$13.14	NM, TE
10/20/10	Peace River/ Manasota Regional Water Supply Authority	Utility Sys Rev Bds, S10B	\$29.56	NM, T
10/20/10	Fernandina Beach, FL	Cap Imprv Rfdg Rev Note S10	\$6.60	R, TE
10/20/10	Fernandina Beach, FL	GO Rfdg Note S10	\$4.03	R, TE
10/18/10	Sarasota Co, FL	Recovery Zn Fac Rev (Tervis Tumbler) S10	\$7.50	NM
09/17/10	Sarasota County	Revenue Bonds, Series 2010B (Manatron System)	\$3.04	TE, NM
09/17/10	Sarasota County	Revenue Bonds, Series 2010A (Data Center)	\$2.35	TE, NM
09/09/10	Seminole County	Capital Improvement Revenue Bond, Seres 2010	\$20.13	TE, R
08/18/10	Bay County	Capital Improvement Revenue Refunding Bond, Series 2010	\$28.32	TE, R
08/04/10	Miami-Dade Expressway Authority	Toll System Refunding Revenue Bonds S10B	\$17.12	TE, R
08/04/10	Miami-Dade Expressway Authority	Toll System Revenue & Refunding Revenue Bonds S10A&B	\$395.59	TE, NM, R, D
07/22/10	Miami-Dade County	Aviation Revenue Bonds, Series 2010B	\$503.02	TE, R
07/22/10	City of Miami	Special Obligation Parking Revenue Bonds,S10 A&B	\$101.37	TE, T, NM
06/17/10	Orlando-Orange County Expressway Authority	Refunding Revenue Bonds, Series 2010B	\$201.12	TE, R



Sale Date	Issuer	Issue Description	Par Amount (\$ millions)	Issue Type *
06/10/10	Illinois State Toll Highway	Toll Hwy Sr. Ref Rev Bds S2010A-1	\$279.30	TE, R
04/26/10	City of Sanford	Utility System Revenue Note, S 2010	\$14.72	TE, R
04/21/10	Citrus County	Capital Improvement Revenue and Refunding Bonds, S 2010A	\$9.91	TE, R
04/21/10	Citrus County	Capital Improvement Revenue Bonds, S 2010A (Federally Taxable - Build America Bond - Direct Subsidy)	\$15.10	T, NM
03/22/10	Sarasota County	Recovery Zone Facility Revenue Bonds (JDL Proj) S 2010	\$8.00	T, NM
03/18/10	Orlando-Orange County Expressway Authority	Revenue Bonds, S 2010A	\$334.57	TE, NM
03/03/10	Seminole County	Water & Sewer Revenue Bonds, S 2010B (Taxable Build America Bonds)	\$70.71	T, NM
03/03/10	Seminole County	Water & Sewer Revenue Bonds, S 2010A	\$5.26	TE, NM
03/03/10	City of Cocoa Beach	Cash Defeasance (Utility System Improvement Revenue Refunding Bonds, S 2002), S 2010	\$1.88	O, R
02/16/10	City of Sebastian	Local Option Gas Tax Revenue Note, S 2010	\$2.46	TE, NM, R
02/05/10	Lake County	Industrial Development Bonds, S 2004) Covanta II, Inc. Resource Recovery	\$5.19	O
02/10/10	Miami Dade County	Double Barreled Aviation Bonds (General Obligation), S 2010	\$239.76	NM
01/28/10	City of Fernandina Beach	Utility System Subordinate Revenue Bonds, S 2010	\$5.22	TE, R
01/26/10	North Miami	S10 Fixed Rate Rfdg of S02 Pension	\$17.69	R, T
01/20/10	Peace River/Manasota Regional Water Supply Authority	Promissory Note, S 2010 - Refinance of the S 2008 BAN	\$55.00	TE, R
01/14/10	Miami Dade County	Aviation Revenue Bonds, S 2010A	\$600.00	TE, NM
12/17/09	City of Palm Coast State Road 100 CRA	Redevelopment Revenue Note, S 2009	\$4.00	TE, NM
12/17/09	UCF Foundation	Taxable Promissory Note, S 2009	\$7.39	T, R, D
12/17/09	UCF Foundation	Tax-Exempt Promissory Note, S 2009	\$12.54	TE, R, D
12/08/09	Okaloosa County	Okaloosa County, Florida (Taxable Sales Tax Revenue Bonds, S 2009B) Build America Bonds	\$23.88	T, NM
12/08/09	Okaloosa County	Okaloosa County, Florida (Sales Tax Revenue Bonds, S 2009A)	\$2.74	TE, NM
11/23/09	City of Edgewater	Water & Wastewater Refunding Revenue Bonds, S 2009	\$7.95	TE, R
11/19/09	City of Miami	Special Obligation Bonds, S 2009 (Street & Sidewalk	\$65.00	TE, NM



Sale Date	Issuer	Issue Description	Par Amount (\$ millions)	Issue Type *
		Improvement Program		
11/13/09	Citrus County	Local Option Fuel Tax Revenue Bond Anticipation Note, S 2009 Allonge	\$10.00	TE, R
11/13/09	Citrus County	Special Assessment Promissory Note (2009)	\$5.00	TE, NM
11/06/09	Escambia County	Environmental Improvement Revenue Bonds, S 2009B	\$10.00	TE, NM
10/23/09	City of Miami	Parking System Revenue and Revenue Refunding Bonds, Taxable S 2009	\$6.49	TE, NM, R
10/23/09	City of Miami	Parking System Revenue and Revenue Refunding Bonds, Tax Exempt S 2009	\$60.11	TE, NM, R, D
10/19/09	Martin County	Utilities System Refunding Revenue Bonds, S 2009B	\$28.68	TE, R
10/15/09	Martin County	Utilities System Improvement Revenue Bonds, S 2009A	\$7.99	TE, NM
09/30/09	City of Ocoee	Capital Improvement Refunding Revenue Note, S 2009	\$5.00	TE, R
09/30/09	Citrus County	Communications Services Tax Revenue Note (2009)	\$12.20	TE, NM
09/29/09	Citrus County	Allonge to the Capital Improvement Revenue Bonds (Emergency Operations Center), S 2007) Bank Loan Extension	\$14.00	TE, R
07/31/09	Indian River County	Water and Sewer Revenue Refunding Bonds, S 2009	\$26.37	TE, R
07/10/09	City of Miami	Rfdg Rev Bds Txbl Pension 09	\$37.43	R, T
06/26/09	Charlotte County	Revenue Note (Murdoch Village), S 2009	\$58.30	TE, NM
06/15/09	Sarasota County	Special Assessment Revenue Note (S. Siesta Key Beach Restoration District), S 2009	\$2.01	TE, NM
05/19/09	City of Miami	Limited Ad Valorem Tax Bonds, S 2009 (Homeland Defense/Neighborhood Capital Improvement Projects)	\$51.06	TE, NM
05/05/09	City of Fernandina Beach	Marina Revenue Note, S 2009	\$1.30	TE, NM
05/04/09	Florida Agricultural & Mechanical University (FAMU)	Guaranteed Energy Savings Performance Contract - Siemens	\$2.48	O
04/24/09	Miami Dade County	Miami International Airport (Hub of the Americas) Aviation Revenue Bonds, S 2009A and 2009B	\$600.00	TE, NM
03/31/09	Escambia County	Solid Waste Disposal Revenue Bonds, Second S 2009	\$65.40	TE, NM
03/26/09	Escambia County	Solid Waste Disposal Revenue Bonds, First S 2009	\$65.00	TE, NM
03/25/09	City of Miami	City of Miami Sunshine State, Series 09	\$20.00	NM
03/13/09	Escambia County	Environmental Improvement Revenue Bonds, S 2009A	\$8.00	TE, NM
02/11/09	City of Palm Bay	Special Assessment Bonds, S 2009A (Water Improvements - USA 31	\$3.94	TE, NM



Sale Date	Issuer	Issue Description	Par Amount (\$ millions)	Issue Type *
02/03/09	Charlotte County	Utility System Revenue Bond, S 2009	\$8.00	TE, NM
01/31/09	Citrus County	Allonge to the Water & Wastewater System Promissory Note, S 2007 Bank Loan Extension	\$12.50	TE, R
12/30/08	UCF Foundation	University Tower & Biomolecular Research Annex Bank Loan, S 2008	\$10.40	TE, NM
12/19/08	Martin County	Master Lease Agreement No. 05217, Schedule No. 03, S 2008	\$4.82	O
12/15/08	City of Palm Coast	Stormwater Revenue Note, S 2008	\$9.00	TE, NM
12/08/08	City of Ocoee	Water & Sewer System Refunding Revenue Note, S 2008	\$5.35	TE, R
12/05/08	Sarasota County	Infrastructure Sales Surtax Revenue Bonds, S 2008B	\$69.90	TE, NM
12/01/08	Bay County	Water System Revenue SRF Requirement LOC, S 2008	\$4.93	O
11/19/08	Orange County Industrial Development Authority	Industrial Development Revenue Bonds (Diocese of Orlando Project), S 2008	\$48.00	TE, R, D
10/08/08	City of Sanford	Taxable Promissory Note, S 2008	\$10.00	T, NM
10/01/08	Peace River/Manasota Regional Water Supply Authority	Utility System Revenue BANs, S 2008	\$30.00	TE, NM
09/11/08	Sarasota County	Infrastructure Sales Surtax Revenue Bonds, S 2008A	\$74.00	NM, R
08/20/08	Miami Parking Authority	Taxable Variable Rate Parking System Revenue Refunding Bonds, S 2008	\$3.88	T, R
08/20/08	Miami Parking Authority	Tax-Exempt Variable Rate Parking System Revenue Refunding Bonds, S 2008	\$37.07	TE, R, D
08/12/08	Citrus County	Capital Improvement Refunding Revenue Bonds, S 2008	\$3.02	TE, R
07/30/08	Charlotte County	Utility System Refunding Revenue Bonds, S 2008	\$23.46	TE, R
07/01/08	City of Miami	Sunshine State Loan	\$42.50	TE, NM
07/01/08	Charlotte County	Murdock Village Note, S 2008	\$88.30	TE, NM
07/01/08	City of Fernandina Beach	Golf Course Revenue Note, S 2008	\$0.29	TE, NM
06/17/08	Charlotte County	Utility System Revenue Bonds (LOC for DSRF), S 2008	\$10.50	O
06/12/08	Bay Harbor Islands	Bay Harbor Parking Garage Bank Loan S 2008	\$4.94	TE, NM
06/09/08	City of Panama City	Capital Improvement Revenue Note, S 2008	\$1.92	TE, NM
06/05/08	Miami-Dade County	Miami International Airport Aviation Revenue Bonds, S 2008B (NON-AMT) (S B Price to Call 2023,2028 and 2038)	\$166.44	TE, NM
06/05/08	Miami-Dade County	Miami International Airport Aviation Revenue Bonds, S 2008A (AMT) (S A Price To Call 2024-2027)	\$433.57	TE, NM



Sale Date	Issuer	Issue Description	Par Amount (\$ millions)	Issue Type *
05/22/08	City of Tavares	Capital Improvement Revenue Note (Road Improvements), S 2008	\$1.50	TE, NM
05/14/08	City of Sanford	Sales Tax Revenue Bonds, S 2008	\$18.00	TE, NM
05/12/08	City of Miami Health Facilities Authority	Health System Revenue Bonds Catholic Health East Issue, S 2008	\$36.42	TE, R
05/08/08	Seminole Community College Foundation	Promissory Note, S 2008	\$1.20	TE, NM
05/01/08	Orlando-Orange County Expressway Authority	Weekly Variable Rate Demand Refunding Revenue Bonds, SubS 2008B-1	\$131.03	TE, R
05/01/08	Orlando-Orange County Expressway Authority	Weekly Variable Rate Demand Refunding Revenue Bonds, SubS 2008B-2	\$118.50	TE, R
05/01/08	Orlando-Orange County Expressway Authority	Weekly Variable Rate Demand Refunding Revenue Bonds, SubS 2008B-3 and 2008B-4	\$249.58	TE, R
03/31/08	Bay County	Water System Revenue Bonds (Southport System), S 2008 A/B/C	\$2.53	TE, NM
03/11/08	Charlotte County	Limited General Obligation Bonds (Conservation Charlotte Project), S 2008	\$51.83	TE, NM, R
02/28/08	North Miami	Sewer Rehab Bank Loan	\$4.00	TE, NM
02/28/08	North Miami	Pepper Park Improvement Bank Loan	\$5.28	TE, NM
02/25/08	Sarasota County	Tax-Exempt Adjustable Mode Industrial Development Revenue Bonds (Sarasota Military Academy Project), S 2008	\$4.20	TE, NM
02/22/08	Sarasota County	Limited Ad Valorem Tax Bonds, S 2008 (Environmentally Sensitive Lands and Parkland Program) 2020-28 and 2029(5.25) Priced to Par Call	\$83.61	TE, NM
02/06/08	City of Ocoee	Non-Ad Valorem Revenue Note (Police Station), S 2008	\$4.00	TE, NM
02/01/08	City of Tavares	Capital Improvement Revenue Note (Wooton Park Project), S 2008	\$7.40	TE, NM

Total

121 transactions, totaling \$6,394.46 million par amount

*TE= Tax Exempt; T= Taxable; NM= New Money; R= Current or Advanced Refunding; RE= Renewal; RF= Refunding; D= Derivative used in the structure; and O= Other

Tab 8: Long-Term Strategic Financial Planning Experience

Provide a description of your proposed personnel's relevant experience over the last three years. Include a case study, if available, that illustrates your experience with relevant services where the proposed personnel have served as financial advisor.

Metaphorically speaking, cities are like aircraft carrier battle groups. They are large and complex entities that carry out a number of functions including serving and protecting the public. In order to carry out their mission, they must be effectively provisioned and must maintain their assets and supporting infrastructures. Finally, to get where they want and need to be and to avoid the obstacles that they can foresee, they must plan their moves and coordinate their parts to go in the desired direction and at the proper speed.

Simply put cities, like battle groups, cannot 'turn on a dime'. This is why long-term strategic financial planning is critical and why the credit rating agencies pay significant attention to a city's long-term planning efforts in their assessment of the strength of the city's financial management team.

The proposed personnel for the City's engagement is particularly strong in relevant strategic planning experience. While serving as city manager in 1997, Ed Marquez directed the creation of the City of Miami's first Five-Year Financial Plan which included projections of operational and capital budgets and an operational recovery plan that incorporated the recommendations of a Blue Ribbon Task Force, which he chaired and that was comprised of a number of private sector executive-level volunteers and representatives from the University of Miami and Florida International University.

Mr. Marquez, Mr. Stull and Ms. McGrath have also worked on a number of strategic planning models for our clients including those of Miami International Airport, Miami-Dade Expressway Authority, Orlando-Orange Expressway Authority and others. The models are generally geared towards forecasting the financial impacts of varying assumptions of capital asset acquisitions, operational costs, interest rate environments and optional debt structures. The models that we employ for our clients assist them in making

allocation decisions and serve as vehicles for communication to their governing bodies and at times to the public. The models also, and most importantly, look out into the future in an attempt to see where 'bumps in the road' may occur so that solutions to those future problems may be addressed over time with minimal negative effects on the entity and their constituencies or customers.

In long-term strategic financial strategic planning, one of the first steps is to assess where one stands currently. In order to start to understand Fort Lauderdale's current position, we reviewed the City's:

- FY 2009 Comprehensive Annual Report;
- FY 2011-2015 Capital Improvement Plan;
- Official Statement for its Series 2010 Water and Sewer Bonds; and its
- FY 2011 Proposed Budget.

Based on our reviews, we include the following as appendixes:

- *Appendix A* – A Profile of the City's outstanding debt which shows the structure of each debt issue and when it is callable;
- *Appendix B* – A comparison of certain of the City's general financial statistics over a 5-year horizon (FY 2005-FY 2009) and a comparison of those statistics to cities of a similar size that are rated by Moody's Investor Service as Aaa and Aa1 and the Moody's Aaa and Aa1 Medians. We also include the predictive Moody's QRATE calculation for the City's general credit rating.
- *Appendix C* – A comparison of certain of the City's Water and Sewer Enterprise's financial statistics over a 5-year horizon (FY 2005-FY 2009) and a comparison of those statistics to systems of a similar size that are rated by Moody's Investor Service as Aa1 and the Moody's Aa1 Medians for water and sewer systems. We also include a calculation of the predictive Moody's QRATE for the City's Water and Sewer Enterprise.

Moody's has developed a Quantitative Ratings Estimator modeling product called "QRATE" that it describes as a "predictor model" that is able to generate a quantitatively derived rating that "...should come close to an actual rating from an analyst". The Moody's QRATE model utilizes six variables that have been determined to statistically predict the analysts'

actual rating. The final analysis “scores” the results, with the score being a numerical representation of Moody’s rating scale. Through our use of this product, we are able to provide the City with detailed insights into Moody’s rating methodology, which it may utilize for its benefit during discussions with rating analysts at the major rating agencies regarding its underlying credit quality.

Of interest, the QRATE predicts a higher rating on the GO for the City. This may be due to the strong fund balance (as of 2009), but offset by the limited revenue raising flexibility. The adopted budget for FY 2011 envisions a draw on General Fund balances and this will have an impact on the predicted QRATE.

The QRATE for the Water and Sewer predicts a lower Aa2 rating. This may be due to the relatively high level of debt and relatively thin annual debt service coverage as of FY 2009.

Finally, regarding the usefulness of these appendices, they are tools for insight and to assist communications.

Appendix A is a snapshot as of a point in time and should be updated when debt is added or paid down. **Appendices B** and **C** reflect information over time and should be updated for FY 2010 activity when it is available. The three appendices help explain where the City is at; in what direction it’s going, how quickly its moving, how it compares to its peers and with the QRATE calculation, where it may be headed.

In order to maximize planning efforts, it is helpful to know one’s external environment. To assist in that regard, FirstSouthwest sends out to its clients, a weekly update of the municipal marketplace. In Florida, we call it the **Florida Market Commentary**. This report highlights certain Florida muni bond transactions priced the prior week and recaps national trends in the marketplace. We generally supplement it with published articles of interest and market commentary from FirstSouthwest Asset Management. We include an example of the **Florida Market Commentary** in **Appendix D**.

We noted that in the FY 2011-2015 Capital Improvement Plan that several major capital improvements including a new City Hall, Police Headquarters and Public Works Operational Center were pushed out into beyond FY 2015. We assume this was a result of the current economic reality of diminished ad valorem tax base for the City.

We also noted that the planned streetcar system (“The Wave”) emanating from the Downtown Development Authority, to be partially funded by special assessment debt, was not funded in the 5-year CIP probably because its Federal funding is not as of yet secured. Regarding the City’s anticipated \$10.38 million participation in the Wave’s funding plan, we found the concept of providing land in lieu of cash very interesting in that other economic synergies (e.g. the benefit of creating new office and/or retail space) can be tapped into to provide a greater benefit to the City at large. As the City considers new additions to its capital improvement plan, such the possible undergrounding of electric transmission lines to enhance both safety and neighborhood esthetics and new parking garages or enhancements to the Fort Lauderdale Aquatic Center, FirstSouthwest can be a great asset to the City in helping determine each project’s affordability under various assumptions and constructs.

Please note that we purposely did not run hypothetical new money scenarios for the \$20 million of General Obligation or the up to \$80 million Water and Sewer bonds issues. We feel that such preliminary number runs would be of limited value as any proposed interest rate scales would be stale by the time the City is ready to conduct the proposed bond sales. Suffice it to say that our firm excels in general obligation and water and sewer bonding experience and our proposed team members have been involved with general obligation and water and sewer debt offerings within the State as indicated by the national rankings found in Tab #6 and our transactional history in Tab #7 above, respectively.

We offer the following case studies as examples of our proposed personnel effectively assisting our clients with long-term strategic planning:

City of Miami - CRA Development Planning



The City of Miami has two Community Redevelopment Agencies namely the Omni and Southeast Overtown Park West Districts (Omni and SEOPW respectively), both of which were starting to generate significant tax increments. To facilitate the funding of several major capital projects, the City needed to have the life of the Omni District extended by several years and to have the district boundaries of both Omni and SEOPW expanded. As both the extension of District’s lifespan and the expansion of geographic boundaries

needed Miami-Dade County's approval and the County had its own laundry list of projects that it desired to have funded, the City needed to strategically plan how these items were to be negotiated.

As financial advisor to the City and with input and guidance from the City's CFO, FirstSouthwest developed models for both districts that took data from the City's Planning and Community Development departments to project future tax increment streams assuming current millage rates. Our models allowed for different "what if" scenarios to be analyzed. These "what ifs" included varying assumptions of tax roll growth (and decline), delays in the coming on-line of large scale development projects, limits on future County dedicated increments and the timing and amount of desired capital projects all with the goal of determining possible bonding and pay-as-you-go options available to the City and the County.

Our models were used extensively in the successful completion of negotiations between the City and the County, arriving at what is locally known as the Global Agreement. The Global Agreement partially facilitates the planned funding of the Marlins Baseball stadium and garage, the Performing Arts Center, a portion of the Miami Port tunnel, two museums at Bicentennial Park and various City projects within the two districts.

Miami-Dade Expressway Authority



FirstSouthwest has served the Miami-Dade County Expressway Authority ("MDX") as Financial Advisor since July 2000. We developed a long-range cash flow model for MDX, incorporating Traffic and Revenue Consultants' projections and the Consultant Engineers' renditions of MDX's Capital Improvement Plan ("CIP"). The model includes operational, maintenance and debt service (senior lien and subordinated debt) projections and the funding requirements of reserves (general and rate stabilization) as well as pay-as-you go capital project funding. The model serves as MDX's "base case" for its Governing Board's deliberations of changes to the CIP.

Miami-Dade County Aviation Department



In 1994, the Miami-Dade County Board of County Commissioners approved a new Airport Master Plan envisioning capital improvements of \$2.7 billion. The primary components of the Master Plan were to

modernize the Airport facilities, support the changing airline industry, increase Airport capacity, accommodate changes in aircraft, and include numerous betterment projects for all the County-owned airports.

In August 1995, FirstSouthwest was retained as financial advisor for the Miami-Dade County Aviation Department ("MDAD"), which operates the Miami International Airport, four general aviation airports, a training and transition airport, and other assets on behalf of Miami-Dade County.

FirstSouthwest's initial challenges were to:

- (i) Modernize the existing governing documents,
- (ii) Develop a financial model for the new capital improvement program (CIP), and
- (iii) Restructure the County's debt

MDAD's existing financing documents consisted of two separate bond indentures (one which was created in 1954), supported by two separate revenue streams. These documents did not allow for short-term interim financing vehicles, such as commercial paper notes, bond anticipation notes, the use of surety policies in lieu of cash funding the debt service reserve fund, and many other features found in documents that are more modern. Additionally, the Airline Use Agreement would need to be conformed according to the changes being made in the trust indentures. We assisted the client in amending, restating, and consolidating the documents, as well as in obtaining the approval of the major airlines operating at the airport.

As the County embarked upon its CIP, our firm assisted MDAD in developing its short-term and long-term financing plan. We created detailed debt models to analyze which airport projects could be financed with non-AMT bonds as opposed to AMT bonds, in order to take advantage of the rate differential between the two types of debt.

MDAD's current \$6.2 billion CIP consists of new construction and renovations to be completed by 2015. A program of this magnitude offers a challenge in striking a balance between managing annual rates and charges and achieving the lowest overall borrowing cost. FirstSouthwest's database maintains all of MDAD's outstanding issues, a total current principal amount of nearly \$3.5 billion, and permits us to monitor and model numerous refunding and restructuring scenarios around MDAD's unique debt

pattern, as well as to develop debt service projections for alternative CIP construction schedules. To date, we have refunded more than \$1.1 billion in airport debt.

City of Irving



IRVING

The City of Irving is a long-standing client of FirstSouthwest. In June 2007, the City engaged us to develop a Strategic Planning Model for its Water and Wastewater System. The rationale behind the engagement was twofold. The first objective was to provide a business model that would assist the City in the evaluation of operational and financial decisions in the near- and intermediate-term. The second objective was to provide a long-term model that would complement the City's efforts in evaluating significant long-term capital improvement projects.

As part of the creation and development of the model, it was important to first establish the goals of the City relative to the operations and finances of the water and wastewater system. In discussion with Staff, the following goals were identified:

- A Dependable Water Supply
 - Including diversification as defined as water from different watersheds and reliable, redundant sources
 - Superior water quality
- Well Maintained Infrastructure
 - Aggressive renewal and replacement program
- Sound Financial Policies
 - Conservative budgetary practices
 - Sufficient liquidity levels and working capital reserves
 - Sustainable pay as you go capital program
- High Service Level for Ratepayers
 - Repairs
 - Billing
- Environmental Stewardship
 - Water Conservation

The goals identified above are consistent with many of the best practices incorporated by well run, high quality municipal utility systems. With these goals identified, FirstSouthwest in a collaborative effort with Staff,

spent significant time in developing the 20-year strategic planning model.

While it is understood that the ability to project 20 years of information has its limitations, the primary objective was to identify and define critical issues and provide a vehicle to comprehensively analyze various options. This multi-year model is now a tool that is utilized in day-to-day management as well as the development of a long-term strategic plan. The model is also a highly effective tool to analyze multiple capital development scenarios, providing useful and quantifiable data to make informed business decisions. It is illuminating to see, due to the compounding effect over time, how minor changes or adjustments on the front end of the model can have significant impacts over 10 and 20 years.

The structure of the model was designed to build upon the City's existing business organizations and budget categories, while also providing the ability and flexibility to analyze in greater detail, if desired. For example, the four primary organizations follow traditional water and wastewater business units: Water Supply, Water Transmission, Water Treatment and Distribution and Wastewater. These organizations were further allocated among current and prospective sub-business units as follows:

- Water Supply:
 - Dallas Utilities
 - Lake Chapman
 - Non-Potable
 - Ralph Hall
- Water Transmission:
 - Line 1
 - Line 2
 - Ralph Hall
- Water Treatment and Distribution:
 - Treatment
 - Pumping
 - Distribution
- Wastewater:
 - Collection
 - Treatment

Additionally, placeholders have been built throughout the model in each of the categories and sub-categories,

so that new business opportunities can be integrated and evaluated efficiently and quickly. Finally the model as constructed provides benchmarking data for

use by the Water and Wastewater System that contrasts their operations to rating agency and American Water Works Association key financial ratios and medians.

This space is intentionally left blank.

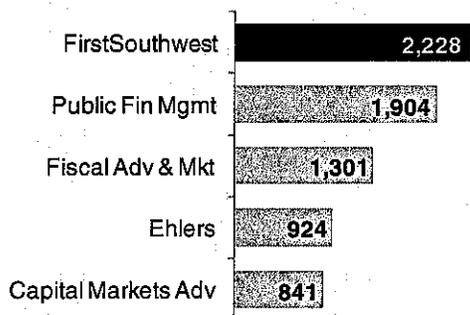
Tab 9: Tax-Exempt Financing Experience

Describe your proposed personnel's relevant experience over the last three years. Include a case study, if available, that illustrates your experience with relevant transactions where the proposed personnel have served as financial advisor.

In Tab #7 above and within the chart (starting on page 24) that shows our financial advisory experience over the past three years within the State of Florida, we denote by the letters 'TE' the tax-exempt transactions on which the proposed personnel have worked.

FirstSouthwest's business focus lies primarily in public finance thus, 96% of our issuers rely on tax-exempt debt. For the three-year period ending December 31, 2010, MuniAnalytics ranks FirstSouthwest as the **number-one** financial advisor in the nation in terms of number of tax-exempt transactions completed and the number-three financial advisor in the nation for par amount (2,228 issues for \$77.67 billion par amount).

National Financial Advisory Ranking for Number of Tax-Exempt Debt Issues January 1, 2008 – December 31, 2010



We offer the following three case studies as indications of our relevant tax-exempt financing experiences:

Sarasota County, Florida



FirstSouthwest currently serves as Financial Advisor to Sarasota County (the "County") On December 5, 2008, FirstSouthwest assisted the County staff in the issuance of the \$69,895,000 Infrastructure Sales Surtax Revenue Bonds, Series 2008B, the second of five anticipated financings to be secured by Infrastructure Sales Surtax Revenues totaling approximately \$208 million in

aggregate principal amount which are expected to be completed over approximately four years, to construct roads, sidewalks, other transportation-related improvements, health projects, parks, libraries and environmental projects. The County previously issued its first financing, \$73,995,000 Infrastructure Sales Surtax Revenue Bonds, Series 2008A on September 11, 2008.

On March 24, 2008, the Board enacted Ordinance No. 2008-30 authorizing a special referendum election to be held on May 6, 2008 to obtain voter approval to issue bonds payable from Infrastructure Sales Surtax Revenues in an aggregate principal amount of not to exceed Three Hundred Million Dollars (\$300,000,000) maturing not later than December 31, 2024 (the "\$300 Million Limitation"). Pursuant to the terms of the referendum, Bonds issued to refund Referendum-Authorized Bonds which are solely secured by Infrastructure Sales Surtax Revenues will not count against the \$300 Million Limitation. Pursuant to the referendum held on May 6, 2008, 68.6% of the voters approved the issuance of such bonds. The County has designated both the Series 2008A Bonds and the Series 2008B Bonds to be Referendum-Authorized Bonds pursuant to the Resolution, so that the aggregate principal amount of such Series 2008A Bonds and Series 2008B Bonds will count against the \$300 Million Limitation.

FirstSouthwest assisted the County in all aspects of the transaction including; the development of a comprehensive financing plan; creating a credit rating presentation and obtaining credit ratings; soliciting bond insurance bids; and putting together bids for paying agent/registrar and printer services. FirstSouthwest also coordinated with the County in issuing a mini-RFP and selecting an underwriting team from the County's current pool of Underwriters to produce the best overall financing results on the Series 2008B Bond issue.

City of Fernandina Beach, Florida



Most recently, FirstSouthwest served the City of Fernandina Beach (the "City") on its issuance of two refunding notes totaling \$10.8 million dollars. The refunding notes were, pursuant to a competitive RFP process, privately placed with SunTrust. We include, as Appendix E, our report to the City Commission (a public record) which

documents the process undertaken on behalf of the City.

First Southwest assisted the City to privately place its \$1,300,000 Marina Revenue Note, Series 2009. The note financed various improvements to the City Marina and was secured by Marina Enterprise Fund revenues and CRA (TIF) revenues, with a back-up covenant to budget appropriate from legally available non-ad valorem revenues from the General Fund. FirstSouthwest assisted the City in developing and distributing an RFP to bank and assisted staff in reviewing the ten bids that were received. The financing was completed at an all-in cost of 4.706%.

On July 1, 2008, the City completed the issuance of its \$292,631.10 Golf Course Revenue Note, Series 2008 to fund the purchase price of 96 new golf carts and repayment of a previous financing through Banc of America Leasing & Capital, LLC. The note was secured and payable by Golf Course Enterprise Fund revenues. FirstSouthwest assisted the City in developing and distributing an RFP to bank and assisted staff in reviewing the ten bids that were received. The financing was completed at an all-in cost of 3.137%.

The City issued \$32.9 million in Utility Acquisition and Improvement Revenue Bonds, Series 2003. The proceeds were used to acquire a private water utility of 7,000 customers and to pay for improvements to the City's utility system, as the City already owned and operated a sewer system. The acquisition of this water system provided the City with total control of the water and sewer utilities in and outside of the City.

As the City's financial advisor FirstSouthwest, along with the City's staff and consulting engineers, developed an insurance presentation and met with five municipal bond insurers to highlight the important structuring and credit considerations associated with the financing. After meeting with the bond insurers, the City received five strong insurance bids, including bids for a debt service reserve surety bond. One of the insurers was willing to reduce the debt service coverage requirements.

City of Miami, Florida



FirstSouthwest became the financial advisory to the City of Miami on December 2, 2005. We have worked

with the City on the following tax exempt transactions and/or related activities:

- Assisted the City in developing a comprehensive Master Swap Policy which was approved by the City Commission.
- Assisted the City in developing an underwriter RFP that the City subsequently issued to create an underwriting team successfully that will be available to the City throughout a five-year period.
- Issuance of the City's \$103,060,000 Limited Ad Valorem Tax Refunding Bonds, Series 2007A and \$50,000,000 Limited Ad Valorem Tax Bonds, Series 2007B. Both series were issued in furtherance of the City's Homeland Defense/Neighborhood Capital Improvement Program. The Series A Bonds were issued to refund certain outstanding Series 2002 Bonds at a present value savings of more than \$3.5 million. The Series B Bonds were issued to provide approximately \$51 million of new money proceeds for the capital program.

This transaction is notable in that it was structured to eliminate any increase in ad valorem debt millage to the City's residents in spite of \$51 million of new money proceeds being provided; it was accomplished during the same time period that the State Legislature was actively pursuing tax reform; and the City received its ratings (with Fitch Ratings providing an upgrade) the day after the Legislature's special session. Also as part of this transaction, the City was able to get MBIA to modify its additional bonds test (from the Series 2002 transaction) so that future GO bonds do not fall under the 1.218 mill debt service limitation contained in the bond covenants.

- FirstSouthwest assisted the City in the issuance of \$80,000,000 Street and Sidewalk Improvement Special Obligation Bonds, Series 2008. This bond offering was secured by three City revenue sources, namely local gas taxes, a transportation sales tax and a surcharge on all public parking within the City. The bonds were structured with a 1.35 times debt service coverage requirement and achieved an underlying rating of "A3/A-/A-", from Moody's, Standard & Poor's, and Fitch respectively.

- The City executed three loans with the Sunshine State Governmental Financing Commission totaling \$68.5 million. FirstSouthwest assisted the City in optimally structuring these loans into the City's debt portfolio as well as addressing each loan's documentation requirements.
- Issuance of \$36,420,000 Health System Revenue Bonds, Catholic Health System Series 2008 issued through the City's Health Facilities Authority - This debt issue allowed Mercy Hospital to restructure a portion of its debt portfolio into a fixed rate mode.
- Assisted the City to issue \$65 Million Street and Sidewalk Improvement Bonds, Series 2009 while maintaining the ratings of A3/A-/A- from Moody's, Standard and Poor's and Fitch, respectively. Unlike the Series 2008 Street Improvement issue, these bonds were efficiently issued without credit enhancement.
- Issuance of \$51,055,000 Limited Ad Valorem Tax Bonds, Series 2009 - These bonds were the last installment under the City's Homeland Defense/Neighborhood Capital Improvement Program which provided capital funding of multiple projects throughout the City. The bonds were efficiently issued on an un-insured basis. Their ratings were A/A3/A- from Standard and Poor's, Moody's and Fitch, respectively.
- Assisted in the issuance of \$84,530,000 Million Parking Revenue Bonds, Tax Exempt Series 2010A to provide parking facilities at the new Marlins baseball stadium that is being constructed.
- FirstSouthwest is currently involved in the advanced planning for two Community Redevelopment Agency (CRA) district transactions that are schedule to occur in the Spring 2011.

This space is intentionally left blank.

Tab 10: Taxable Financing Experience

Describe your proposed personnel's relevant experience over the last three years. Include a case study, if available, that illustrates your experience with relevant transactions where the proposed personnel have served as financial advisor.

In Tab #7 above and within the chart (starting on page 24) that shows our financial advisory experience over the past three years within the State of Florida, we denote by the letter 'T' the taxable transactions on which the proposed personnel have worked.

For the three-year period ending December 31, 2010, FirstSouthwest is the number-three financial advisor nationally for taxable transactions and has provided our financial advisory expertise on 136 taxable transactions, totaling more than \$13.80 billion par amount. Nine of these transactions, totaling \$432.61 million par amount were for issuers in the State of Florida, including the Cities of Miami and Palm Bay, as well as Okaloosa County and the Lee County Housing Authority.

From the inception of the Build America Bond ('BAB') Program to December 31, 2010, FirstSouthwest participated in BAB transactions totaling approximately \$8.84 billion par amount for a variety of issuers. The Federal authorization of the BAB program ended on December 31, 2010.

Sarasota County, Florida



FirstSouthwest is currently assisting Sarasota County, Florida in issuing its proposed \$9,030,000 Capital Improvement Revenue Bonds, Series 2010A (Federally Taxable – Build America Bonds – Direct Subsidy) and \$11,295,000 Capital Improvement Revenue Bonds, Series 2010B (Federally Taxable – Build America Bonds – Recovery Zone Economic Development Bonds – Direct Subsidy). These bonds will be issued to finance the renovation and improvements to the existing Ed Smith Stadium Complex for use by the Baltimore Orioles for Spring Training and other Major League Baseball purposes.

On July 22, 2009, the Board of County Commissioners approved, an Interlocal Agreement, with the City of Sarasota to transfer ownership of the City of Sarasota Sports Complex (Ed Smith Stadium) and a

Memorandum of Understanding (MOU), with the Baltimore Orioles Limited Partnership, for a 30-year lease of the City of Sarasota Sports Complex (Ed Smith Stadium) for Major League Baseball Spring Training operations and for Minor League Baseball Spring Training operations located at the Buck O'Neil Baseball Complex at Twin Lakes Park, with renovations to the Sports Complexes, in the amount of \$31.2 million.

The Board of County Commission on September 23, 2009 authorized the use of Recovery Zone Economic Development Bonds for County infrastructure projects and on October 13, 2009, voted to reallocate \$9,500,000 of its Recovery Zone Economic Development Bonds to the City of Sarasota, and utilize the County's remaining \$9,030,000 in Recovery Zone Economic Development Bonds for the Sports Complex.

City of Palm Bay, Florida

Taxable Special Obligation Bonds, Series 2008



FirstSouthwest served as financial advisor on the City of Palm Bay's (the "City") \$38,345,000 Taxable Special Obligation Bonds (Pension Funding Project), Series 2008 in a transaction that resulted in estimated savings of nearly \$13 million for the City. FirstSouthwest's innovative solution addressed the needs for the City to increase the unfunded actuarial accrued liability in its police and fire pension fund.

Throughout numerous meetings and workshops, FirstSouthwest provided the City's staff and elected officials with information on the mechanics, risks and rewards of interest rate swaps, equipping the City with information needed to make an educated and informed decision. The City's underwriter originally received a commitment from MBIA in October 2007. However, FirstSouthwest's desk identified change in market conditions and trading differentials, (after news reports regarding concerns about MBIA's credit quality due to subprime exposure), prompting FirstSouthwest's insistence to obtain an alternate bond insurance policy to mitigate potential trading differential or basis risk on the bonds. This innovative structure provided additional projected savings in excess of an estimated \$6 million over conventional financing methods.

City of Miami, Florida



FirstSouthwest assisted the City in its issuance of its \$37,435,000 Non-Ad Valorem Refunding Revenue Bonds, Taxable Pension Series 2009 - These bonds were issued on a fixed rate basis and provided for the termination of an interest rate swap agreement. The bonds were also efficiently issued unenhanced relying on the City's credit ratings of A3/A from Moody's and Standard and Poor's, respectively.

We also assisted the City in its issuance of \$16,840,000 Million Parking Revenue Bonds, Taxable Series 2010B to provide parking facilities at the new Marlins baseball stadium that is being constructed. The parking structure included retail space for restaurants and other commercial spaces. As part of our work on these bonds, we provided numerical documentation of the percentage of private use so that Bond Counsel could render the appropriate tax opinions for the transaction.

This space is intentionally left blank.

Tab 12: Synthetic Advance Refundings and Other Related Financing Experience

Provide a description of your proposed personnel's relevant experience over the last three years. Include a case study, if available, that illustrates your experience with relevant services where the proposed personnel have served as financial advisor.

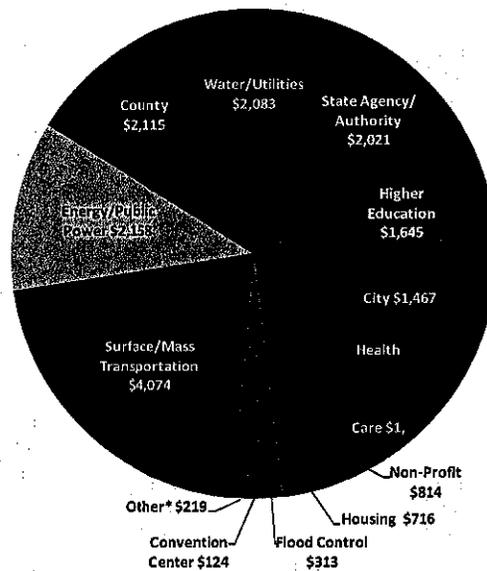
In Tab #7 above and within the chart (starting on page 24) that shows our financial advisory experience over the past three years within the State of Florida, we denote by the letters 'D' the transactions that were structured with derivatives on which the proposed personnel have worked.

In addition to the proposed personnel's direct experience with current and advanced refunding transactions, FirstSouthwest's Structured Products Group possesses experience in structuring advance refundings using derivative products. It is important to note that there are few city-level synthetic advance refunding financings completed due to the complexity in evaluating the arbitrage yield and savings levels on the refunding bonds. In practice, assumptions on the bond yield must be based on conservative estimates which may present legal opinion challenges or reduced economic benefit.

Derivative Product Experience

Our swap advisory clients include issuers from all sectors of the tax-exempt spectrum: transportation, general obligation, revenue, housing authorities, higher education, health care, public power, water and sewer, and other 501(c)(3) issuers. Our experience includes both competitive and negotiated transactions. Each swap is unique, and generalizing our experience is difficult, except to say that we have worked with all types of issuers and all types of transactions and will provide technological resources (described later) to support the City's oversight of its derivative contracts.

FirstSouthwest as Swap Advisor:
107 Transactions, \$9.44 Billion Notional Amount



Source: Internal Records, 10/01/07 to 09/30/10

As swap advisor, we perform a variety of services. FirstSouthwest always performs an extensive analysis of the risks entailed in any transaction. We calculate standard market scenarios to determine the client's ability to withstand changes in market conditions. Our analytical expertise is second to none, and we regularly are asked to update our projections during the life of the transaction.

Documentation of the swap is a very important part of the process. We carefully review the confirmation, and any modifications to the standard ISDA documentation. Cancellation and termination provisions are always hot topics, as these can often make or break a transaction. We routinely evaluate the cost of the termination to determine if it is advantageous to our clients to terminate or continue with the swap.

Swap Valuation Methodologies. When evaluating structures with embedded options FirstSouthwest uses the same analytical framework as we do when evaluating structures without embedded options. Before recommending any swap transaction, we will work with the City to identify needs and review alternative financing structures. The City can review and select among these proposals to continually refine its financing plan. As the City considers the integration of options into derivative swap products, careful analysis of counterparty risks and disclosure requirements, volatility of the securities or contracts

being entered into, as well as the effectiveness on a risk-reward basis of the transaction contemplated, requires rigorous due diligence, including review of the City outstanding debt and swaps in conjunction with any planned transactions. Many of our clients successfully utilize interest rate swaps and other structured financial products to improve their debt structures. Hybrid structures commonly are used to accomplish the following:

- Reduce the cost of borrowing
- Manage interest rate exposure
- Generate debt service savings
- Broaden investor base for debt offerings
- Enhance asset/liability management

The tax-exempt swap market appears to be entering a new phase of creativity and sophistication while remaining true to its conservative and risk-averse roots. The following chart summarizes the various financial products and typical applications.

**FirstSouthwest Structured Products Group
Experience with Derivative Products**

Financial Product	Typical Applications
Fixed-to-Floating Swaps and Options	Increase variable rate exposure; create synthetic floating rate debt without liquidity costs, generate interest cost savings, hedge short-term asset returns.
Floating-to-Fixed Swaps and Options	Hedge future refunding of non-advance refundable, create synthetic fixed rate debt at levels lower than the traditional cash market allows, increased call flexibility for future debt issuance.
Caps	Hedge interest cost, limit exposure on variable rate debt.
Collars	Hedge interest cost on variable rate debt using floor to off-set purchase price, increase and hedge short-term asset returns; reduce budgetary uncertainty.
Rate Locks/Caps	Hedge financing cost on interest rate sensitive, fixed rate issuance in process.
Debt Service Caps	Cap financing cost on interest rate sensitive fixed rate issuance in process.

Financial Product	Typical Applications
Forward Delivery Bonds	Refund non-advance refundable high coupon debt; lock-in financing cost on future fixed rate issuance.
Basis Swaps	Generate swap income and partially hedge existing variable rate risk.
Conversion Options	Lower interest cost on outstanding fixed or variable rate bonds by selling an option.
Structured Notes	Fixed income instrument with tailored risk/reward characteristics.
Total Return Swaps	Establish synthetic position in an investment.

Engagements as Swap Advisor

The following case study is an example of the types of transactions and services FirstSouthwest provides to its clients.

City of Atlanta



FirstSouthwest has been the financial advisor for the City of Atlanta, Georgia (the "City") since 2001 and its swap advisor since 2008. During the period as swap advisor, the our group has advised the City on the precise timing for exiting several swap transactions. By entering into interest rate swaps to hedge and/or enhance its variable rate and fixed rate bond financings, the City realized significant economic benefit. The following table summarizes the economic advantage to the City related to certain interest rate swap agreements.

Bond Series	Swap/Debt Structure	Cumulative Benefit
1999A-1/A-2	Synthetic Floating	\$29,000,000
2001B & 2001	Synthetic Fixed	\$22,900,000
2003RF	Synthetic Fixed	\$19,200,000
TOTAL BENEFIT		\$71,100,000

Pay-Floating Swap. The City's pay-floating interest rate swaps related to the Water and Wastewater Revenue Bonds, Series 1999A-1 and Series 1999A-2

were executed as "fair value" hedges. The fair value of the Series 1999A-1 and 1999A-2 bonds is the net present value of all the future cash outflows. As short-term rates fluctuate, so do the fair values of the bonds. By swapping fixed interest rate payments for short-term floating rate payments, the City reduced its exposure to changes in the fair values of the bonds. At the same time, the City was able to take advantage of historically low short-term interest rates, resulting in an overall net benefit of approximately \$29 million as compared to the alternative of paying the blended fixed rate of 5.13% over the holding period. FirstSouthwest provided the City with frequent valuations and helped facilitate negotiations with the counterparties. This ultimately led to the City terminating the swaps in 2009 and receiving termination payments totaling \$21,620,000.

Pay-Fixed Swaps. The City's pay-fixed interest rate swaps related to the Variable Rate Water and Wastewater Revenue Bonds, Series 2001B and 2001C and its Variable Rate Airport Revenue Bonds, Series 2003RF were executed as "cash flow" hedges. These swaps are designed to reduce the City's exposure to fluctuations in cash flows related to floating rate interest payments on the bonds. The total net benefit to the City using this strategy over traditional fixed rate debt is approximately \$42.1 million. It is also important to note that, had the credit crisis not occurred and the VRDB markets continued to perform as they had at the time of the bonds' issuance, the net benefit could have been considerably more than this amount.

In addition to swap advisory services, FirstSouthwest is currently providing bond proceeds reinvestment services, online monitoring through the *FairValue AdvisorSM* system and GASB 53 services for the fiscal year ended June 30, 2010.

Other Financings – New Credits

Two case studies of new credit financings follow:

North Miami Community Redevelopment Agency



In 2007, we assisted the North Miami CRA with the issuance of a \$10,750,000 Line of Credit with Regions Bank. The line of credit allowed the CRA to meet commitments that it had made to Miami-Dade County in the area of project financing.

We are currently working on an approximate \$18 million transaction with the Agency so that it may be able to fund certain needed capital improvement within the District. We developed a Request for Proposal for a loan (including both taxable and tax-exempt components) with input from the banking community. Several banks have indicated their intent to bid on the loan.

City of Hialeah Gardens



The City of Hialeah Gardens selected FirstSouthwest as its first-ever financial advisor. We introduced the City's staff to the rating agencies and walked them through formal presentations in New York City. We subsequently assisted them in completing two competitive bid bond transactions.

Of particular note, one of the transactions that we conducted on the City's behalf was the first municipal bond transaction to use Miami-Dade's One-Half Cent Transit Surtax as a revenue pledge. The underlying stream was generated through an interlocal agreement between the City and Miami-Dade County. It was well-received by the banking community.

Other Financings – Conduit Issuance

We present two examples of conduit financing done by members of the proposed financial advisory team:

City of North Miami



In 2007, we assisted the City of North Miami to transact a \$124 million bank bond to facilitate the construction of two public schools within city limits. The transaction, in which the City served as a conduit agency, allowed the Miami-Dade Public School District to advance the construction of the two schools multiple years forward from what was originally planned within its capital improvement program.

City of Miami, Florida



Issuance of \$40,000,000 Health System Revenue Bonds, Catholic Health System Series 2006 (Mercy Hospital Refunding Bonds) - The City's Health Facilities Authority served as the conduit financing

agency for this transaction, which brought debt service relief to Mercy Hospital, which is located in the City of Miami.

Other Financings - Privately Place Bank Notes

FirstSouthwest's Florida Public Finance Group, including Mr. Marquez, Mr. Stull, Ms. McGrath and Mr. Tindal has been active over the past year obtaining cost effective bank financing for our clients. The cost effectiveness bank loans over bond issues will fluctuate at times. Currently, banks have been providing very competitive interest rates for bank qualified bank loans. These loans often have several advantages over traditional municipal bonds including more favorable prepayment provisions, typically no required debt service reserve fund, reduced documentation, and expedited closing times. Bank loans can also be structured as either on a taxable or tax-exempt basis. While loans have been recently advantageous, bonds do have certain advantages compared to a typical bank financing. One of the more important advantages is that bonds can be structured with a 30-year maturity, while banks typically will not extend credit beyond 20-years.

Other Financing – Negotiations with Other Governments on behalf of Clients

Transportation Infrastructure Finance and Innovation Act of 1998 ("TIFIA") Loan. In conjunction with the Florida Department of Transportation ("FDOT") and on behalf of Miami International Airport, we negotiated and structured a \$164 million TIFIA loan from the United States Department of Transportation ("USDOT") for the Miami Intermodal Center project. The project is comprised of a consolidated rental car center, right of way acquisition, MIC/MIA connector and road and highway improvements. The overall FDOT project is estimated to cost \$1.3 billion and is needed to reduce area roadway congestion, improve Miami International Airport curb front space and ground transportation access, and improve the air quality in the vicinity of Miami International Airport.

The \$164 million TIFIA loan represents permanent 35-year financing for 100% of the consolidated rental car facility. The loan is secured by a Customer Facility Charge assessed on a "per transaction day basis" for

each rental car contract of participating rental car companies. The interest rate on the loan is the 30-year U.S. Treasury plus 15 basis points, which is likely 160 basis points below the taxable AAA-insured rate that could have been obtained in the public market. The combination of the below market interest rates and the 35-year maturity facilitated an investment grade rating and substantially reduced the interest expenses and transaction cost. Transportation Secretary, Rodney Slater, approved the funding for the loan on September 27, 1999. We believe that FirstSouthwest team's familiarity with specialized federal and state transportation financing programs and our experience with transportation capital improvement projects will be a tremendous asset for the Airport in serving as its financial advisor.

State Infrastructure Bank. In conjunction with the Florida Department of Transportation ("FDOT") and on behalf of Miami International Airport, we negotiated and structured a \$50 million SIB loan for the Viaduct Project. The project consists of an elevated roadway providing access from the Palmetto Expressway to MIA's Westside and Northside air cargo handling facilities, so that trucks entering and exiting the air cargo area can travel on the Viaduct and avoid street congestion and allowing for ease of movements going from airside to the duty free zone. FirstSouthwest familiarity with SIB loans from our extensive turnpike and tollway practice helped facilitate the low cost of borrowing from this program.

Other Options - Public Private Partnerships (P3)

As a trailblazer in this highly specialized area of finance, FirstSouthwest is on the leading edge of the recent movement toward the further integration of the public and private initiatives. The firm endeavors in each public-private partnership engagement to ensure an optimal use of private sector experience and resources to expand and enhance the effectiveness of limited public sector resources. FirstSouthwest's P3 Specialty Practice Group, Mr. Michael G. Bartolotta, Vice Chairman of FirstSouthwest and recently elected Chairman of the MSRB, has evaluated, or is in the process of evaluating, a number of privatization opportunities for clients nationwide and offers to its clients valuable insight in this area. Mr. Marquez also

possesses experience working on P3 projects with Mr. Bartolotta and other Florida based staff members.

Our experience spans all sectors of the industry, including serving as financial advisor and concession advisor to toll authorities and other public sponsors, as well as strategic advisor on public/private projects. FirstSouthwest has advised on sales or mergers of assets with values as much as \$20 billion. Collectively, FirstSouthwest's team personnel have provided advisory services on transactions and reports including, but not limited to:

Water/Seaport

- Port of Corpus Christi (Concession Advisor)
- Coastal Water Authority (Asset Sale)
- San Diego Unified Port District
- Texas Water Development Board
- Texas Water Resources Finance Authority (Asset Sale)

Municipalizations (i.e. private transfer to public)

- Fernandina Beach, Florida
- Winter Park, Florida

Airports

- Dallas/Fort Worth International Airport
- Houston Airport System (Special Facilities)
- Miami-Dade International Airport

Transportation

- Harris County Toll Road Privatization Study
- Harris County Toll Bridge Acquisition
- Metropolitan Transit Authority of Houston
- Denver Regional Council of Governments
- Central Texas Regional Mobility Authority TIFIA Financing
- New York State Thruway Authority, Advisor on Tappan Zee Bridge Replacement/Privatization
- Bilfinger BOT – Concession (Design, Build, Finance Concession)

Tobacco Asset Securitization

- Tobacco Asset Securitization Corporations
 - New York
 - Rhode Island
 - New Jersey
 - Virginia
 - Private settlement

Tab 13: Market and Pricing Information

Describe your firm's knowledge, experience and resources in tracking and monitoring the tax-exempt and taxable bond markets, including fixed rate, variable rate, swaps and other derivative products, and the government securities market. Include a discussion of your firm's participation in underwriting tax-exempt and taxable bonds, acting as a principal in swap transactions, and providing investment services, as applicable. Also discuss your process for ensuring that the City receives the best price for any bonds, financings involving swaps and other derivative products, and any escrow securities as part of any refunding. Include a discussion of how you evaluate the success of any pricing.

Market Resources

FirstSouthwest is a registered broker/dealer with FINRA, with its activities regulated by the SEC and abides by the MSRB rules. The firm is also a member of the SIPC.

We believe that the discipline of maintaining an active broker/dealer operation benefits our clients in numerous ways. Primarily, we are active participants in the marketplace every day, not merely observers. Risking our capital gives us additional perspective into the nuances of the underwriting process, and lends us valuable credibility with the underwriting community. Other broker/dealers know that we are able to provide the same functions we ask of them. They know we are speaking on a daily basis to many of the same institutional investors. Therefore, our clients benefit from market advice that we obtain from firsthand, direct, real-time information as opposed to secondhand observations obtained from calling other firms or compiled from information vendors.

We strongly believe that this approach distinguishes our services from our competitors, but most importantly, it provides a higher quality service to our clients and allows them to achieve the lowest possible cost of borrowing.

To ensure the best execution for bond pricing, Financial Advisors must employ individuals that are actively involved in sales and trading and not just monitoring the market.



The underwriting desk at FirstSouthwest works in partnership with our banking professionals from the beginning preliminary structuring, updating with current scales and coupon ideas, call features, priority of order decisions all the way to the final allocations. We have multiple underwriting professionals with more than 25 years of experience each working for both national and regional firms. They understand all facets of the underwriting process, from how to capture the largest retail sales percentage to working with the most difficult institutional orders. As much as 70% of our underwriters' time is invested in working with financial advisory clients. The City can be confident that when the time arrives to price its issue, our professional underwriters will be watching over every detail of the transaction and getting the most value for the City's securities the market will allow.

Sarasota County

An excellent example of the benefits of maintaining a desk is Sarasota County's offering of \$69,895,000 of Infrastructure Surtax Revenue Bonds, Series 2008B on December 5, 2008 in which FirstSouthwest acted as financial advisor. The County had a long history of competitive sales. In this instance, however, in order mitigate the County's market execution concerns, the bonds were sold through a negotiated sale.

During the order period, under the advisement of FirstSouthwest's long-term underwriting desk, the County was able to negotiate a risk component on the unsold balances with the underwriters, thus successfully completing the sale in an extremely difficult and unpredictable market.

Had the County not been able to negotiate this, only half of the bonds would have been sold at the

original offering prices. The County would have been faced with either a second offering of bonds months later at considerable additional cost, or consenting to re-pricing entire maturities at higher yields. In the end, it was determined that the risk component included in the gross spread represented considerable cost savings to the County.

In our role as financial advisor, FirstSouthwest's underwriting and trading desk routinely provides recommendations regarding the following:

- Structure
- Call options and premiums
- Yields
- Coupons
- Placement of Term Bonds and pricing
- Serial Bonds and Pricing
- Capital Appreciation Bonds and pricing
- Cost effectiveness of insurance
- Credit aspects
- Underwriters' takedown and spread
- Syndicate rules
- Allocation of bonds

In short, these capabilities provide an enormous advantage to the City and differentiate FirstSouthwest from other advisory firms, which do not have actual market involvement and capabilities.

Our underwriting and trading desk has active dialog with retail and Tier-1, and Tier-2 institutional investors on a daily basis regarding bonds that we market or trade. It is through our marketing processes that

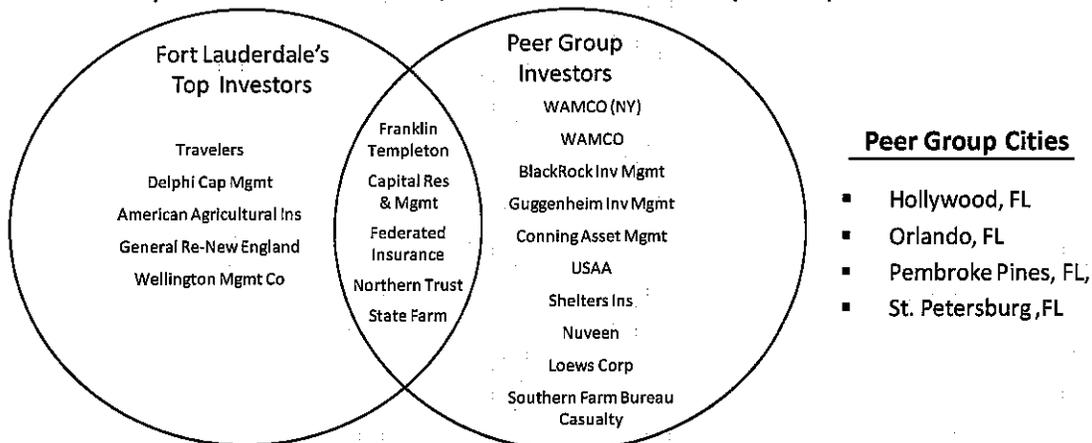
investors tell us what types of bonds and bond structures they are interested in buying. This information provides a significant advantage to our financial advisory clients, in the structuring their bond transactions, because our desk is privy to what investors are seeking in the current marketplace. We use this information to recommend only the most advantageous structures to our financial advisory clients for the introduction of their bonds into the marketplace.

In dealing with investors, we separate our marketing activities from our financial advisory work. Roughly 75% of our Public Finance Department's revenues come from our financial advisory services versus 25% from our underwriting and trading activities and therefore we ensure that strict controls on informational flows are in place. We never discuss any upcoming bond transactions from our financial advisory clients with investors as we feel that would be highly unethical and would create a conflict of interest that would serve no one well.

Another benefit of having an underwriting desk is that we have the tools to enable us to know which institutions have invested in Fort Lauderdale and which have not. Knowing the existing buyer base of the City's outstanding bonds can play an important role in obtaining the best rates and terms possible.

On the charts below, we show a 'Peer Group' analysis which shows the top investors of Fort Lauderdale bonds versus those investors of selected Peer Group cities. The chart highlights those institutional investors that are either underweighted in or have no Fort Lauderdale bonds.

City of Fort Lauderdale, Florida - Peer Group Analysis of All Bonds



Top Current Investors	Par Amount (\$MM)	Top Potential Investors	Par Amount (\$MM)
Franklin Templeton	39,555	WAMCO (New York)	38,155
Capital Res & Mgmt	33,738	WAMCO	38,155
Northern Trust	33,738	BlackRock Inv Mgmt (P)	14,250
Travelers	22,000	Guggenheim Inv Mgmt	12,775
State Farm	20,050	Conning Asset Mgmt	10,235
Delphi Cap Mgmt	5,000	USAA	9,975
American Agricultural Ins	2,155	Shelter Ins	8,060
General Re	1,844	Nuveen	5,700
Deutsche Asset (345 Park)	1,844	Loews Corp	5,500
Wellington Mgmt Co	1,844	Southern Farm Bureau Casualty	4,760

City of Fort Lauderdale, Florida - Peer Group Analysis of All Bonds

Hollywood, Florida		Orlando, Florida		Pembroke Pines, Florida	
Institutional Holder	Par Amount (\$MM)	Institutional Holder	Par Amount (\$MM)	Institutional Holder	Par Amount (\$MM)
Loews Corp	5,500	Franklin Templeton	40,230	Guggenheim Inv Mgmt	12,775
USAA	4,100	WAMCO (New York)	34,135	Shelter Ins	8,060
Deutsche Asset (345 Park)	3,250	WAMCO	34,135	WAMCO (New York)	4,020
State Farm	3,000	BlackRock Inv Mgmt (P)	14,250	WAMCO	4,020
Capital Res & Mgmt	1,996	Southern Farm Bureau Casualty	4,760	Franklin Templeton	4,000
Northern Trust	1,996	Federated Investors	4,635	Arbella Mut. Ins.	3,700
Nuveen	1,500	Capital Res & Mgmt	4,250	USAA	2,875
Thornburg Inv Mgmt	1,300	Nuveen	4,200	Federated Insurance	2,000
Sentry Investment Mgmt	1,250	AllianceBernstein LP	3,250	Central Mutual Ins	1,175
Columbia Mgmt Adv (B)	1,070	Texas Farm Bureau Ins	3,240	GE Asset Mgmt	1,100
Canal Insurance	1,000	Vanguard	3,000	Russell Inv Mgmt	1,000
Country Trust Bank	1,000	USAA	3,000	Conning Asset Mgmt	500
Vantage Inv Advisors	690	Sage Advisory Services	2,000	BlackRock (Fix Inc)	500
BlackRock (Fix Inc)	533	Country Trust Bank	1,500	Un. Heritage Fina. Services	500
Marsico Capital Mgmt	533	Deutsche Asset (Boston)	1,500	Selected Funeral & Life Ins.	100
Westwood Mgmt Corp	533	Federated Insurance	1,500	YieldQuest Adv.	25
Rainier Inv Mgmt	533	OppenheimerFunds	1,200	TIAA-CREF	-
KSKJ Life American Slovenian Catholic Uni.	510	Deutsche Asset (345 Park)	1,000	Multiple Managing Firms	-
General Re	500	Northern Trust	1,000		
American Money mgmt	500	Spirit of America Mgmt Corp	665		

St. Petersburg, Florida	
Institutional Holder	Par Amount (\$MM)
Conning Asset Mgmt	9,735
External Manager Not Disclosed	500
Oppenheimer Inv Mgmt	500
General Re	500
Prime Advisors	500
Multiple Managing Firms	-

- Sample of largest peer group investors for peer group issuers.
- Shaded equals none or under-invested peer group holders for the City of Fort Lauderdale's Water and Sewer bonds.

Real-Time Market Data

Our continuing investment in the underwriting and trading desk information technology capabilities is fundamental both to broker/dealer operations and enhances the value of the financial advisory services that FirstSouthwest provides. Therefore, FirstSouthwest is committed to staying abreast of the latest developments in the digitalization of fixed income trading. Since the emergence of the Electronic Communication Networks ("ECNs") and electronic bid submission systems, we have been a pioneer, working with the leading vendors in the field to provide unique insight. Among the vendors we are actively utilizing today are: Bloomberg, i-Deal, MuniAuction, Thomson, MuniCenter, Bonddesk and Valubond. We have recently engaged Random Walk, a consulting firm notable for its development of the Real Time Reporting System ("RTRS") for the MSRB.

The real-time data that FirstSouthwest can access as a result of being a broker/dealer provides a distinct advantage to our financial advisory clients by allowing us to ensure that our clients' bonds are priced and sold at market levels.



Investment of Bond Proceeds

FirstSouthwest recognizes that the primary objective for state and local governments is to maintain safety of the principal of bond proceeds while ensuring adequate liquidity. FirstSouthwest has extensive experience advising issuers in the competitive acquisition of investment agreements, open market securities for escrows, and a variety of other investment vehicles, all of which are designed to comply with investment policy guidelines, state statutes, and IRS regulations.

In an effort to insure that Fort Lauderdale is afforded broad market coverage, FirstSouthwest maintains access to a large universe of qualified investment agreement providers and securities dealers. Depending on the requirements for a securities purchase or investment agreement, FirstSouthwest can foster interest from eligible providers in the insurance, banking, and broker/dealer communities.

FirstSouthwest adds value to each transaction by:

- ✓ Providing live market indications
- ✓ Offering structuring advice supported by the most current market knowledge
- ✓ Optimizing yield and identifying market opportunities
- ✓ Developing and implementing bidding specifications
- ✓ Identifying and selecting qualified providers
- ✓ Conducting "bona-fide bid" solicitations
- ✓ Reviewing and negotiating contracts to insure a smooth closing
- ✓ Performing trade oversight to mitigate settlement risk and delays
- ✓ Monitoring collateral requirements
- ✓ Preparing IRS compliance transcripts

For the five year period ending December 31, 2010, FirstSouthwest served as the bidding and structuring agent for over 300 municipal transactions totaling approximately \$23.37 billion in bond proceeds.

Evaluation of Success

Success can be measured in a number of different ways. We believe the ultimate measure of any completed bond transaction is how it priced in the marketplace and whether the client achieved their goals for the financing.

To that end, we conduct a 'post mortem' on negotiated transactions, generally in conjunction with the lead underwriter, reporting back to the client how the transaction fared in the marketplace (relative to similar credits priced on the same date) and how the each syndicate produced on behalf of the clients. For a competitively bid transaction, the winning bid is compared to other similar transactions on the pricing date.

Conservative Assistance and Advice

FirstSouthwest has been able to use first hand market information to provide our clients with the most up-to-date advice during this unprecedented period of market turmoil. Early on, we recognized the potential impact of lines of credit becoming more scarce and expensive as mono-line insurance companies and banks had their credit placed under greater scrutiny. The collapse of the auction rate markets increased the demand for credit even as the supply was shrinking. We discouraged the use of the RFP process to engage liquidity providers and negotiated directly with several banks on our clients behalf.

Of course, with the benefit of hindsight, specific recommendations would not have been identical. For example, when competition between liquidity providers produced ever lower quotes, there was no sense of urgency to lock in a multi-year commitment at a higher price. By the same token, at that time the markets were not sure that any bank was too big to fail.

FirstSouthwest has a history of providing *conservative* financial advice to its clients, as the preceding sections demonstrate and our clients will attest. Arguably as important as a conservative approach is the firm's ability to provide balanced advice to its clients during volatile and highly unpredictable times. Our clients will confirm that not only do we provide conservative advice, we have worked tirelessly to assist them through the recent market turbulence and the general economic downturn.

We are currently working with many of our clients to review their risk tolerance profile and to update their current debt and derivative policies as a result of the current economic environment.

Swap Monitoring Capabilities

FirstSouthwest does not serve as a principal or swap counterparty in swap transactions. However, we have devoted considerable resources to creating the systems that allow us to provide both online monitoring as well as customized monitoring services for our clients' interest rate swap agreements. FirstSouthwest employs commercially available and proprietary software systems to assist us in the initial and ongoing monitoring of derivative transactions. Our systems have been certified as SAS 70 Type II compliant to

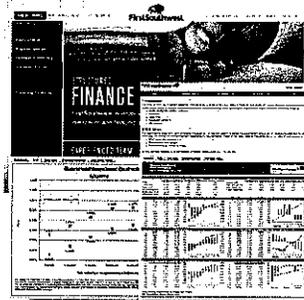
ensure the highest standards of accuracy and compliance.

The systems that we have developed over a number of years allow us to monitor the rating and collateralization terms of an agreement, and to notify an issuer automatically in the event that a "collateral trigger" is breached. Many interest rate swap agreements have provisions for collateral, and the event that triggers the requirement of collateral is *clear*; however, where the responsibility of notification resides is usually *unclear*. In the event that collateralization is required to be posted, FirstSouthwest typically acts on the issuer's behalf by monitoring the safekeeping account. On a regularly scheduled basis, we verify the collateral with special consideration as to type, amount, and margin level. We believe that by acting as collateral verification agent we have the opportunity to ensure that the issuer's security interests under the agreement are adequately protected.

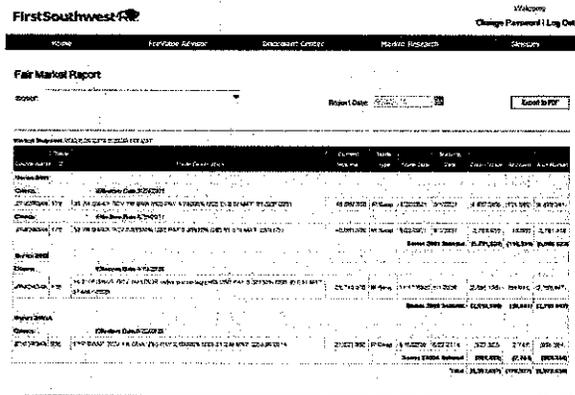
FairValue AdvisorSM Online Swap Toolset

Both GASB and FASB require periodic assessment of the fair values of derivatives. *FairValue Advisor* is a user-friendly, secure, web-based interface designed to provide financial decision makers and their staff with on-demand access to current fair market valuations and other information related to financial instruments, including:

- Swaps (interest rate, currency, commodity)
- Swaptions
- Caps/Floors
- Forward purchase agreements (FPA)
- Guaranteed investment contracts (GIC)
- Repurchase agreements (Repo)
- Other investment portfolios
- Forward rate agreements (FRA)
- Debt portfolios

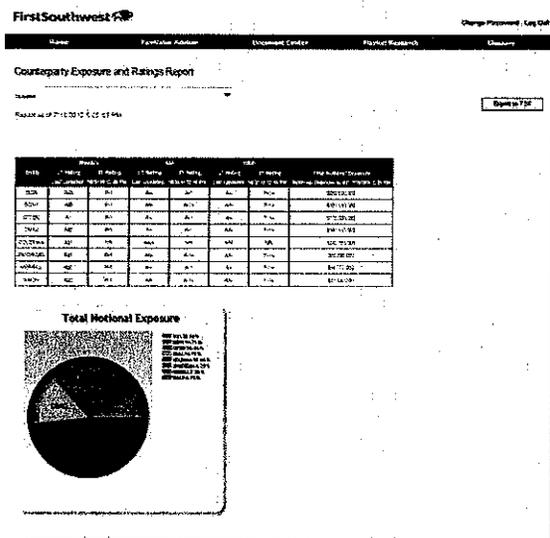


Valuation – FairValue Advisor presents daily mid-market valuations based on a standardized end-of-day market snapshot which minimizes variations due to timing and yield curve assumptions. In addition to current valuations, *FairValue Advisor* stores mid-market pricing histories, giving clients the ability to quickly determine general price ranges.



The screenshot shows the 'FairMarket Report' interface. At the top, there are navigation tabs: Home, FairValue Advisor, Document Center, Market Research, and Security. Below the tabs, there's a 'FairMarket Report' section with a 'Report Date' field set to '12/31/2010' and a 'Export to PDF' button. The main content area displays a table with columns for 'Entity', 'Current', 'Yield', 'Term', 'Rate', 'Bid', 'Ask', 'Last', 'Bid-Ask', 'Market', and 'Volume'. The table lists various entities and their corresponding market data.

Counterparty Exposure & Ratings – Users can access online and print-ready reports that detail individual and aggregate notional exposure as well as current counterparty credit ratings.



The screenshot shows the 'Counterparty Exposure and Ratings Report' interface. It features a table with columns for 'Entity', 'Rating', 'Notional', 'Currency', 'Maturity', 'Type', 'Risk', and 'Total Notional Exposure'. Below the table, there is a 'Total Notional Exposure' section with a pie chart and a legend.

Entity	Rating	Notional	Currency	Maturity	Type	Risk	Total Notional Exposure
AAA	AAA	100	USD	12/31/10	Fixed	Low	100.00
AA	AA	200	USD	12/31/10	Fixed	Low	200.00
BBB	BBB	300	USD	12/31/10	Fixed	Low	300.00
BBB+	BBB+	400	USD	12/31/10	Fixed	Low	400.00
BBB-	BBB-	500	USD	12/31/10	Fixed	Low	500.00
BB+	BB+	600	USD	12/31/10	Fixed	Low	600.00
BB	BB	700	USD	12/31/10	Fixed	Low	700.00
BB-	BB-	800	USD	12/31/10	Fixed	Low	800.00
B+	B+	900	USD	12/31/10	Fixed	Low	900.00
B	B	1000	USD	12/31/10	Fixed	Low	1000.00
B-	B-	1100	USD	12/31/10	Fixed	Low	1100.00
B+	B+	1200	USD	12/31/10	Fixed	Low	1200.00
B	B	1300	USD	12/31/10	Fixed	Low	1300.00
B-	B-	1400	USD	12/31/10	Fixed	Low	1400.00
B+	B+	1500	USD	12/31/10	Fixed	Low	1500.00
B	B	1600	USD	12/31/10	Fixed	Low	1600.00
B-	B-	1700	USD	12/31/10	Fixed	Low	1700.00
B+	B+	1800	USD	12/31/10	Fixed	Low	1800.00
B	B	1900	USD	12/31/10	Fixed	Low	1900.00
B-	B-	2000	USD	12/31/10	Fixed	Low	2000.00

Document Center – The Document Center provides a single access point for all transaction related documents (trade confirmations, ISDA documents, official statements), GASB/FASB accounting reports and a variety of other market research documents.

Reporting – Users can create and export valuations, charts and counterparty exposure reports in portable document format (PDF).

Role Based User Administration – With *FairValue Advisor*, managers are able to view multiple portfolios organized by fund or enterprise – or by issuer for individuals managing portfolios for multiple entities. Similarly, staff access can be limited to only those portfolios that are relevant to their job.

Security – Users can browse their data from anywhere with the confidence of knowing that their information is secured using powerful 1024-bit SSL encryption. Passwords and other security information can be self-administered through the web browser.

Online Resources

FirstSouthwest's website (www.firstsw.com) is accessible 24 hours a day, 7 days a week and is updated daily with pertinent market data. In addition to offering publicly available market information, FirstSouthwest has developed other tools to meet the Authority's need for independent, timely and uniform fair market value estimates of derivative or other asset/liability positions.

Tab 14: Cost Proposal

Present a concise list of the scope of services and the work products that your firm proposes to provide. Given your proposed scope of services and work products, discuss your proposed fees as stated below:

- a) Compensation on a Firm Fixed Fee/Retainer, payable quarterly.
- b) Indicate the total number of hours of service included in your firm's fixed fee/retainer and provide personnel assigned and a list of hourly billing rates for each proposed personnel.
- c) Indicate the hourly rate you will charge, when the City has exceeded the total number of hours stated in 1.b. above.
- d) Please indicate reimbursement of "Out-of-Pocket" expenses as an annual amount not-to-exceed. Such expenses include long distance telephone, postage, air express charges, fax, reproduction and related costs necessarily incurred as Financial Advisor. Do not include travel expenses, as they will be paid as approved by the City's Financial Director, per the City's Travel Policy.
- e) Indicate all costs associated with debt issues as follows, and minimum fee if applicable for debt issues up to \$50 million, Next \$25 million, Next \$25 million and Additional amount over \$100 million. Per bond fee is based upon \$1,000 denominations, and apply to each series of bonds issued.
- f) Indicate your minimum fee your schedule is subject to.

Any omissions or ambiguities will be construed most favorable to the City.

Understanding of Requirements

The scope of work as described in the City's RFP, contemplates that the Financial Advisory Team will be responsible for providing assistance in all fiscal aspects in relation to the development of a financing plan, the City's debt issuance needs and other financial planning or general financial planning services. This is precisely the service we perform for issuers nationwide and is the core of our business practice. We have thoroughly reviewed the City's RFP and we believe FirstSouthwest and the financial advisory team assigned to this engagement with the City are fully capable to provide the services described in the City's RFP. Below, we indicate our ability to perform the City's Scope of Work.

REQUESTED SCOPE OF WORK	FirstSouthwest Will Perform
A. DEBT ISSUES DEVELOPMENT AND SALES SERVICES	
1. Planning and Development Phase	
a. Analyze the City's Financing requirements to determine the appropriate financing structure (i.e. competitive vs. negotiated structure, variable-rate vs. fixed-rate structure, etc.)	✓
b. Analyze proposed financing transactions through an identification and analysis of funding alternatives to determine methods of strengthening marketability and provide recommendations of the most effective marketing method which is consistent with current economic/ market conditions and rating agency criteria.	✓
c. Consult with established rating agencies regarding proposed financing transactions and assist the City in obtaining the most favorable rating by directing preparation and dissemination of appropriate information and by accompanying City representative in meeting with rating agencies. Additionally, analyze the City's credit rating with respect to standards, national trends, etc., and advise on measures to be taken to improve said ratings.	✓
d. Research and advise on aspects of tax exemption and arbitrage in cooperation with the legal counsel and bond counsel. Assist when necessary, in obtaining Internal Revenue Services rulings.	✓
e. Assist in the preparation and analysis of feasibility studies in cooperation with the City, its officials and administrative staff, attorney, bond attorneys, accountants, architects, engineers and other professionals as requested by the City.	✓

PART V - COST PROPOSAL PAGE

f. Act as liaison with bond counsel and coordinate the work of other professionals providing information/ assistance in connection with the proposed financing transaction.	✓
g. Provide assistance in soliciting proposals and in making recommendations concerning the selection of ancillary service providers (e.g. registrar, trustee, printer, etc.).	✓
h. Prepare a timetable of events leading to the sale and delivery of an offering.	✓
i. Review all current financings and, if appropriate, recommend refinancing options.	✓
j. Assist City staff in preparation of ancillary financial documents/ work-products (e.g. special studies, financial forecasts, etc.) as requested.	✓
2. Marketing Phase	
a. Advise on the appropriate terms and conditions of the sales, including maturity scheduling and other requirements (i.e. discount, par, premium, net interest-costs, true-interest-costs, etc.). In conjunction with the foregoing consult with the City and advise bond counsel concerning necessary covenants, parity provisions, reserve requirements, sinking fund payments, redemption provisions, etc.	✓
b. Advise on the timing of the bond sale, taking into consideration such factors as changing economic conditions, current and projected market trends, other regional bond offerings and convenience to the City.	✓
c. Coordinate with bond counsel the preparation of authorizing resolutions and other documents involved in the sale of bonds or other financing transactions.	✓
d. Assist the City in meeting full disclosure requirements and conforming to suggested guidelines when preparing the Official Statement (hereafter referred to as the "OS") either as an advisor or principal author.	✓
e. Assist in publicizing the issue with an OS, notice of sale, bid forms and such other means necessary and advisable to develop nationwide public and institutional interest. The OS will be distributed to potential investors and purchasers of the jurisdiction's securities across the nation. Directly contact those lead underwriters most likely to be syndicate manager. Maximize efforts to market the City's debt issuance most effectively.	✓
f. Advertise any bid, bond sale, etc. in nationally prominent financial publications, in addition to coordinating local publication requirements.	✓
g. Conduct information meetings as necessary and desirable with the investment community including investment bankers (i.e. dealers and dealer banks) and institutional investors (i.e. banks, bank holding companies and insurance companies) to establish bidding interest on this offering.	✓
h. In the event of a competitive bid, attend the bid opening to assist with the verification and evaluation of bids and recommend the most favorable bid for award, if requested.	✓
3. Bond Closing Phase	
a. Direct, coordinate and supervise bond closing details, including bond proofing, printing and delivery in the shortest possible time frame.	✓
b. Furnish prompt, complete reinvestment analysis so that maximum earnings will result from investing bond proceeds, in addition to assisting the City and associated professional personnel with establishing a schedule for drawdown of funds.	✓
c. Direct, coordinate and supervise preparation of the transcript and provide the City with bond and interest records showing required semiannual payments and other information relevant to the completed financing.	✓
d. Solicit bids on investment of idle funds, if requested.	✓
e. Following the closing of a transaction, the Financial Advisor will make a principal of the firm available to meet with the City to critique the transaction and to determine what, if any, service charges should be made to effect quality and procedural improvement or changes.	✓
C. WORK PRODUCTS	
1. Presale Analysis.	✓
2. Preliminary Official Statement.	✓
3. Official Statement.	✓
4. Official Notice of bond Sale (competitively sold issues).	✓
5. Estimated Timetable.	✓
6. Rating Agency Presentation outlines.	✓
7. Such other analysis, cash flow projections and materials necessary for financial planning and bond sale purposes.	✓
C. OTHER SERVICES	
1. Bond refinancing sensitivity analysis as requested.	✓
2. Annually, provide debt service schedules for each outstanding bond issue reflecting the original debt service requirement, the changes hereto, and the remaining current debt service.	✓
3. Annually, provide updated analysis (report) of the City's outstanding debt/refunding history and any refunding opportunities.	✓

PART V - COST PROPOSAL PAGE

1. **A. Indicate your Total Annual Firm Fixed Fee to the City, in accordance with the specifications.** RFP

\$18,000 Fixed Annual Fee/Retainer (paid quarterly)

- B. Indicate the total number of hours of service included in this firm fixed fee:**

120 Hours. / Per personnel assigned (attach breakdown)

Personnel Assigned:

Managing Directors: Edward Stull
 Senior Vice Presidents: Edward Marquez, Dave Brayshaw, Bill Johnson, Pete Stare
 Vice Presidents: Lakshmi McGrath, Joel Tindal, Mary-Katherine Sells, Donna Ciccimarro, Julie James
 Clerical Support

Note: The retainer and the total hours included represent a blended hourly rate of \$150.00 for all personnel.

- C. Indicate the hourly rate you will charge, when the City has exceeded the total number of hours stated in 1.B. above, if applicable:**

\$ variable per hour / per personnel assigned (attach breakdown)

For non-debt related work that exceeds the retainer, FirstSouthwest proposes the following hourly rates:

Position	FirstSouthwest Standard Rate (per hour)	City of Fort Lauderdale Discounted Rate (per hour)
Senior Vice President, Managing Directors and Above	\$350	\$180
Vice President	\$275	\$175
Assistant Vice President	\$225	\$150
Analyst/Associate	\$190	\$125
Clerical/Support	\$90	\$50

2. **Please indicate reimbursement of "Out-of-Pocket" expenses as an annual amount not-to-exceed. Such expenses include long distance telephone, postage, air express charges, fax, reproduction and related costs necessarily incurred as Financial Advisor. Do not include travel expenses, as they will be paid as approved by the City's Finance Director, per the City's Travel Policy.**

\$1,000 (Annual Not To Exceed)

3. **Indicate all costs associated with debt issues as follows, and minimum fee if applicable:**

Debt Issues

Fee (*)

Up to \$50 million	\$0.90
Next \$25 million	\$0.60
Next \$25 million	\$0.60
Additional Amounts over \$100 million	\$0.45

(*) Per Bond Fees based upon \$1,000 denominations. These fees apply to each series of bonds issued and are subject to a minimum fee of \$17,000 per transaction. These fees are also contingent upon the successful closing of the debt transaction.

Please note that to compensate the City for the rebid process, First Southwest will completely waive, i.e. not charge the City of Fort Lauderdale, "Bond Fees" for the first bond transaction that is executed under our financial advisory engagement.

Additional Costs

The City shall be responsible for the following typical bond related expenses if and when applicable, whether they are charged directly to the City as expenses or charged to the City by First Southwest as reimbursable expenses:

- Bond counsel
- Bond ratings
- Credit enhancement
- Pay agent/ registrar/ trustee
- Verification fees
- Other consultant fees
- Miscellaneous, including copy, delivery, and conference call phone charges
- Bond printing
- Computer structuring
- CPA fees for refunding
- Travel expenses
- Underwriter and underwriters counsel
- Official statement preparation and printing fee

The payment of reimbursable expenses that First Southwest has assumed on behalf of the City shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered and payable upon receipt of an invoice submitted by FirstSouthwest.

Swap Advisory Services

FirstSouthwest's pricing for work-related to alternative financing methods (Le. derivative products e.g. interest rate swaps or synthetic financing structures) is as follows:

- A. Hourly rates (see hourly rates in Section 1.c above) for:
 1. Review of the various proposals received by the City from underwriters;
 2. educating staff and policy makers of pros and cons of derivative products both generic as well as those being pitched to the City; and
 3. development of formal policies regarding the use of derivative products.
- B. For the *execution* of a derivative product, First Southwest will charge the *lesser* of:
 1. the net present value of two basis points (0.02%) on the notional principal face of the transaction ;
or
 2. \$2.00 per \$1,000 of the financial products notional face.

This execution fee covers the negotiation of the derivative's terms with the counterparty; coordinating the execution of the transaction, and issuing a fair market value opinion to the City after closing. First Southwest also will periodically monitor the closed derivative transaction and provide market opportunity analyses when warranted.

The financial product provider shall be notified, prior to any transaction execution, of the obligation to pay First Southwest the execution fee within three business days of the closing date.

- First Southwest will quantify anticipated fee with the City prior to any transaction execution and
 - Financial products provider(s) will be required to certify to the City in writing the execution fee paid to First Southwest.
- C. As part of the execution fee, First Southwest will be available to discuss with the external auditors any aspects of the derivative transaction. However, should the City require updated and formal fair market valuations at fiscal yearend, a separate fair market opinion fee will need to be negotiated.

The pricing above does not include reimbursement of expenses. The pricing also is applicable to all financial products procurement methodologies (i.e. competitive, negotiated, hybrid).

Reinvestment of Bond Proceeds, Escrow Reserve Funds etc.

FirstSouthwest abides by U.S. Treasury regulation 1.148-5(e)(2)(iii)(B)(1) regarding fees charged for serving as bidding agent for all reinvestment transactions. For bidding agent services, FirstSouthwest charges the lesser of (i) \$36,000 or (ii) 0.2 percent of the initial amount invested. Please note that the above fees are paid by the provider of the agreement and not by the Issuer. Depending on the amount of service required, the fee can be negotiated to a reasonable level reflective of the preparation and on-going maintenance involved; on a transaction-by-transaction basis.

Tab 15: Business Licenses

Evidence that your firm and/or persons performing the work are licensed to do business in the State of Florida and Broward County, if applicable.

Additional documents required in RFP response

The Financial Advisor(s) must have been registered with the U. S. Securities and Exchange Commission (the "SEC") by October 1, 2010 pursuant to a temporary rule adopted by the SEC, and as required by the Dodd-Frank Act. In addition, compliance with any future rule changes must be maintained, as the SEC expects to propose a permanent rule later this year. Please provide proof of this registration with the U.S. Securities and Exchange Commission.

FirstSouthwest is authorized to conduct business in the State of Florida. If selected as financial adviser to the City, FirstSouthwest will apply for and maintain all required local licenses throughout the term of the engagement.

FirstSouthwest completed the Municipal Advisor Temporary Registration on September 28, 2010. The firm's Municipal Advisor Registration Number issued by the SEC is 866-00060-00.

Tab 16: Potential Conflict of Interest

You should advise the City of any potential conflict known by your firm and discuss how, if selected, your firm would address any concerns raised by such dual representation. If your firm is selected as The City's financial advisor, during the contract period your firm must notify the City when you enter into any new contracts that may result in a conflict of interest.

FirstSouthwest does not believe that its selection to provide financial advisory services to the City would create a conflict of interest with any existing client or other party. Our work with other government entities in South Florida and throughout the State would generally benefit the City in that common problems and issues occur and therefore solutions found in other jurisdictions can be applied to the City's benefit.

However should a conflict of interest arise, we will immediately notify the City. Given the depth of our proposed financial advisory team (e.g. with two Co-Project Managers) the establishment of informational barriers between certain FirstSouthwest personnel is facilitated. Given the size of the firm, we can also easily assign personnel from other offices. The precise terms of the policies that are implemented in the creation and maintenance of the information barrier is determined based on the facts and circumstances as they exist at the time and are tailored, insofar as may be reasonably practicable, to meet the specific requests, needs and requirements of our clients.

Tab 17: Business Relationships with Other Entities

Disclose all compensation/fee arrangements (formal or informal) that your firm, its related entities or any proposed personnel currently has, or within the past twelve months has had, with any other potential parties to contemplated financings in which your firm was engaged in any capacity. Such parties include, but are not limited to, swap providers, investment contract providers, verification agents, financial advisory firms, investment banking firms, any other consultants or financial institutions, and law firms.

Neither FirstSouthwest nor any proposed personnel have a binding or implied affiliation or relationship with any other broker-dealer. In the role of underwriter, on competitive and negotiated sales, FirstSouthwest enters into "an agreement among underwriters" to market and sell municipal securities, which defines the liability and compensation to all members of the syndicate and FirstSouthwest routinely engages various national firms to serve as underwriters' counsel. Additionally, acting in the role of financial advisor, FirstSouthwest has a small number of co-financial advisor relationships. These arrangements are directed by and fully disclosed to the issuer. FirstSouthwest also provides periodic market valuations and monitoring services for a small number of swap counterparties. The firm has no other financial arrangements that it believes would affect its ability to perform as financial advisor objectively and independently.

Tab 18: Minimum Professional Requirements

The Minimum Professional Requirements are for each firm regardless of type of proposal submitted.

In the following table, we address each of the City of Fort Lauderdale's minimum professional requirements.

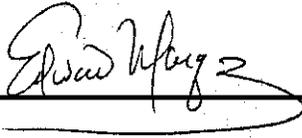
City of Fort Lauderdale, Florida Minimum Professional Requirements	FirstSouthwest's Fulfillment
<p>1. Must have been a financial advisor for municipal government offerings totaling over \$500,000,000 par amount within the last year and a minimum of \$250,000,000 in par amount revenue bond financing within the last five (5) years.</p> <p><i>Mr. Edward Marquez and Mr. Ed Stull, the two Co-Project Managers assigned to the City's account, acted as financial advisor for municipal government offerings totaling over \$3.5 billion par amount within the last five years. In the last five years, Mr. Edward Stull and Mr. Edward Marquez acted as financial advisor for municipal government revenue bond financings in excess of \$4.27 billion par amount.</i></p>	✓
<p>2. Minimum ten (10) years experience in providing financial advisory services to Florida governments.</p> <p><i>Mr. Edward Marquez has 23 years of public financial advisory experience in Florida and Mr. Edward Stull has 24 years of public financial advisory experience in Florida.</i></p>	✓
<p>3. Evidence of similar client services to local Florida governments within the last (5) five years.</p> <p><i>Please see the case studies in Tab 10 for specific evidence of similar client services provided to local Florida governments within the last five years.</i></p>	✓
<p>1. At least one (1) new credit client in the past two (2) years.</p> <p><i>FirstSouthwest's South Florida office in Aventura worked with the new credit clients North Miami CRA and Hialeah Gardens within the past two years.</i></p>	✓

Tab 19: Signed Statement

Provide a signed statement that states "During the term of this contract, the financial advisor(s) may not propose any financing transactions nor serve as underwriter or swap counterparty for any City of Fort Lauderdale financing. Furthermore, the Financial Advisor(s) may not terminate their contracts prematurely for the purpose of then serving as underwriter or swap counterparty for any City of Fort Lauderdale financing."

FirstSouthwest hereby acknowledges and agrees that, if selected, during the term of this contract, the financial advisor(s) may not propose any financial transactions nor serve as underwriter or swap counterparty for any City of Fort Lauderdale financing. Furthermore, the Financial Advisor(s) may not terminate their contracts prematurely for the purpose of then serving as underwriter or swap counterparty for any City of Fort Lauderdale financing.

Signature: _____



Date: 3/25/11

Tab 20: Questionnaire

Please provide to the City the following requested information with your proposal:

1. What is your Financial Advisor (FA) "State Ranking" in the State of Florida based on dollar amount, based on Thomson-Reuters and/or the MuniAnalytics tracking services?

ANSWER Third*
Tracking Service Used: MuniAnalytics

2. What is your Financial Advisor (FA) "State Ranking" in the State of Florida based on number of issues?

ANSWER Second*
Tracking Service Used: MuniAnalytics

3. For the past year from October 1, 2009 thru September 30, 2010, what is the dollar amount and the number of issues for the following:

a. Special Assessment Revenue Bonds	\$	<u>54.01 billion</u>
Number of issues		<u>8</u>
b. Revenue Bonds	\$	<u>7.81 billion</u>
Number of issues		<u>159</u>
c. G O Bonds	\$	<u>14.08 billion</u>
Number of issues		<u>687</u>
d. Negotiated	\$	<u>21.45 billion</u>
Number of issues		<u>379</u>
e. Competitive	\$	<u>5.96 billion</u>
Number of issues		<u>467</u>

* Source: MuniAnalytics for the period October 1, 2009 through September 30, 2010. Excludes the Florida Division of Bond Finance from ranking as they serve as their own financial advisor.

Proposal to Provide Financial Advisory Services

Appendix B

General Credit Statistics

Appendix B

FirstSouthwest 
A PlainsCapital Company.

Moody's Investors Service MFRA

21-October-2010

Analyst Adjusted - Issuer Summary

Credit

Fort Lauderdale, FL

Senior Most Rating	Aa1				
Tax Backed Rating Description	LT SR GO				
State	FL				
Selected Financials and other Datapoints					
Financial Data : Financial Statistics & Ratios					
	2005	2006	2007	2008	2009
Total General Fund Revenues (\$000)	251,359	273,182	295,712	278,450	273,787
General Fund Balance as % of Revenues	14.7	18.2	26.9	32.9	31.2
Unreserved General Fund Balance as % of Revenues	13.2	16.7	23.8	24.5	27.9
Unreserved, Undesignated GF Balance as % of Revenues	12.1	15.6	23.1	22.3	26.7
Total General Fund Balance (\$000)	37,046	49,854	79,519	91,548	85,435
Financial Data : Debt Statistics & Ratios					
Direct Net Debt Outstanding (\$000)	113,616	100,932	87,943	78,418	88,455
Overall Net Debt Outstanding (\$000)	520,455	474,086	532,258	575,510	586,040
Direct Net Debt as % of Full Value	0.4	0.3	0.2	0.2	0.2
Direct Net Debt Per Capita (\$)	679	543	479	428	491
Debt Burden (Overall Net Debt as % Full Value)	1.9	1.5	1.4	1.4	1.4
Overall Net Debt Per Capita (\$)	3,109	2,552	2,899	3,143	3,254
Debt Service as % of Operating Expenditures	6.2	5.6	5.5	4.3	3.5
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	78.7	78.7	78.7	78.7	78.7
Payout, 10 Years, General Obligation Debt (%), Current Value	62.8	62.8	62.8	62.8	62.8
Adjusted Debt Burden as % of Full Value	1.9	1.5	1.4	1.4	1.4
Financial Data : Tax Base Statistics and Ratios					
Total Full Value (\$000)	27,640,714	31,586,135	38,546,556	42,585,820	41,500,000
Full Value Per Capita (\$)	165,137	169,997	209,942	232,549	230,428
Average Annual Increase in Full Value (%)	13.2	14.2	16	14.6	11.1
Top Ten TaxPayers as % of Total, Most Recent Value	0	0	0	0	0
Financial Data : Demographic Statistics					
Actual/Estimated Population, Annual Value	170,300	175,300	175,500	179,700	180,100
Population 2000 Census	152,397				
Per Capita Income (2000 Census)	27,798				
Per Capita Income as % of State (2000 Census)	129				
Per Capita Income as % of U.S. (2000 Census)	128.8				
Median Family Income (2000 Census)	46,175				
Median Family Income as % of State (2000 Census)	101.2				
Median Family Income as % of U.S. (2000 Census)	92.3				
Population Change 1990-2000 (%)	2				
Median Home Value (2000 Census)	150,100				

Moody's Investors Service MFRA

21-October-2010

Analyst Adjusted - Local Governments - City - Comp Report

View Criteria: Aaa-Aa1 Cities, 2000 Pop: 149K-240K

Selected Financials and other Datapoints	Aaa Medians	Scottsdale, AZ	Greensboro, NC	Chandler, AZ	Madison, WI	Huntsville, AL	Plano, TX	Salt Lake City, UT	Durham, NC
	2009	2009	2009	2009	2009	2009	2009	2009	2009
	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
General Entity Information									
Current Senior Most Rating									
Tax Backed Rating Description									
Financial Data : Financial Statistics & Ratios									
Total General Fund Revenues (\$000)	197,797	273,589	248,542	224,768	221,503	217,403	211,245	197,797	197,762
General Fund Balance as % of Revenues	22.1	22.1	23.5	100.1	20.0	20.2	20.2	12.3	22.4
Unreserved General Fund Balance as % of Revenues	18.3	21.8	11.6	86.5	14.1	19.1	15.0	11.1	11.8
Unreserved, Undesignated GF Balance as % of Revenues	11.1	10.5	9.3	6.5	12.4	2.2	15.0	11.1	10.3
Total General Fund Balance (\$000)	42,744	60,422	58,344	224,940	44,244	43,892	42,744	24,259	44,359
Financial Data : Debt Statistics & Ratios									
Direct Net Debt Outstanding (\$000)	339,196	796,688	240,737	377,838	438,229	492,988	336,755	189,061	339,196
Overall Net Debt Outstanding (\$000)	623,719	1,296,228	533,745	641,541	623,719	494,663	1,611,433	402,085	532,947
Direct Net Debt as % of Full Value	1.4	1.2	1.0	1.3	1.9	2.6	1.4	0.7	1.5
Direct Net Debt Per Capita (\$)	1,507	3,288	960	1,499	1,925	2,791	1,277	1,041	1,507
Debt Burden (Overall Net Debt as % Full Value)	2.6	2.0	2.2	2.9	2.7	2.6	6.5	1.4	2.4
Overall Net Debt Per Capita (\$)	2,739	5,349	2,130	2,545	2,739	2,800	6,111	2,213	2,968
Debt Service as % of Operating Expenditures	13.7	22.1	9.4	12.8	16.1	40.6	16.7	9.1	11.0
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	70.0	55.1	68.0	53.3	96.4	51.5	70.4	70.8	63.4
Payout, 10 Years, General Obligation Debt (%), Current Value	68.0	59.3	68.0	50.1	96.4	51.5	70.4	75.8	63.4
Financial Data : Tax Base Statistics and Ratios									
Total Full Value (\$000)	23,131,429	65,318,568	24,185,000	28,122,916	23,131,429	18,998,469	24,825,573	28,671,851	22,080,696
Full Value Per Capita (\$)	101,587	269,536	96,492	111,574	101,587	107,552	94,143	157,799	98,096
Average Annual Increase in Full Value (%)	7.1	14.5	7.5	17.2	5.4	8.7	4.0	10.8	8.4
Top Ten TaxPayers as % of Total, Most Recent Value	7.6	6.2	8.9	14.7	4.7	7.0	6.2	14.2	6.6
Financial Data : Demographic Statistics									
Actual/Estimated Population, Annual Value	225,093	242,337	258,671	282,056	227,700	178,819	263,700	181,698	225,093
Population 2000 Census	191,615	202,705	223,891	176,581	208,054	158,216	222,030	181,743	187,035
Per Capita County Income (2000 Census)	23,498	39,158	22,986	23,904	23,498	24,015	36,514	20,752	22,526
Per Capita Income as % of State (2000 Census)	117.9	193.1	113.2	117.9	110.5	132	186.1	114.1	110.9
Per Capita Income as % of U.S. (2000 Census)	108.9	181.4	106.5	110.7	108.9	111.2	169.1	96.1	104.3
Median Family Income (2000 Census)	52,558	73,846	50,192	62,720	59,840	52,202	91,162	45,140	51,162
Median Family Income as % of State (2000 Census)	113.1	158.1	108.3	134.2	113.1	125.3	198.8	88.5	110.4
Median Family Income as % of U.S. (2000 Census)	105	147.6	100.3	125.3	119.6	104.3	182.2	90.2	102.2
Population Change 1990-2000 (%)	23.6	55.8	22	95	8.8	-1	72.5	13.6	36.9
Median Home Value (2000 Census)	137,600	220,800	108,600	137,600	139,300	97,300	162,300	153,300	126,100

Selected Financials and other Datapoints	Irving, TX	Winston-Salem, NC	Lincoln, NE	Overland Park, KS	Huntington Town, NY	Aa1 Medians	Chesapeake, VA	Newport News, VA	Orlando, FL	Hampton, VA	Fort Lauderdale, FL
	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009	2009
General Entity Information											
Current Senior Most Rating	Aaa	Aaa	Aaa	Aaa	Aaa	Aa1 Medians	Aa1	Aa1	Aa1	Aa1	Aa1
Tax Backed Rating Description	LT SR GO	LT SR GO	LT SR GO	LT SR GO	LT SR GO		LT SR GO	LT SR GO	ISSUER LT	LT SR GO	LT SR GO
Financial Data : Financial Statistics & Ratios											
Total General Fund Revenues (\$000)	187,557	171,102	116,354	91,750	90,260	170,997	521,590	421,766	373,254	292,625	273,787
General Fund Balance as % of Revenues	19.3	21.7	27.7	45.5	44.0	23.2	25.7	23.6	21.1	33.9	31.2
Unreserved General Fund Balance as % of Revenues	18.3	14.0	23.7	44.4	36.1	21.4	19.4	22.3	20.9	33.5	27.9
Unreserved, Undesignated GF Balance as % of Revenues	18.3	12.5	19.8	43.3	10.4	15.5	6.9	9.8	13.8	18.4	26.7
Total General Fund Balance (\$000)	36,224	37,196	32,255	41,765	39,729	41,418	133,994	99,359	78,871	99,262	85,435
Financial Data : Debt Statistics & Ratios											
Direct Net Debt Outstanding (\$000)	357,320	227,051	485,395	302,255	119,989	245,553	414,273	488,764	905,854	310,527	88,455
Overall Net Debt Outstanding (\$000)	1,413,614	542,051	819,970	756,354	543,102	471,355	414,273	488,764	1,236,186	412,817	586,040
Direct Net Debt as % of Full Value	1.9	1.1	3.0	1.6	0.3	1.7	1.5	4.5	2.4	2.8	0.2
Direct Net Debt Per Capita (\$)	1,683	1,043	1,911	1,740	586	1,221	1,929	2,717	3,886	2,134	491
Debt Burden (Overall Net Debt as % Full Value)	7.7	2.7	5.1	4.1	1.2	2.8	1.5	4.5	3.3	3.7	1.4
Overall Net Debt Per Capita (\$)	6,660	2,491	3,228	4,354	2,652	2,573	1,929	2,717	5,303	2,837	3,254
Debt Service as % of Operating Expenditures	14.9	13.7	10.2	25.9	8.9	6.1	0.4	14.1	4.1	5.0	3.5
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	45.8	72.6	72.9	70.0	80.7	61.5	68.0	72.3	58.8	66.0	78.7
Payout, 10 Years, General Obligation Debt (%), Current Value	45.8	57.9	71.0	70.0	87.0	87.9	68.0	72.3		67.8	62.8
Financial Data : Tax Base Statistics and Ratios											
Total Full Value (\$000)	18,451,730	20,063,178	15,935,573	18,408,387	44,457,887	18,753,841	27,235,767	15,988,730	37,337,362	11,574,620	41,500,000
Full Value Per Capita (\$)	86,934	92,202	62,738	105,967	217,096	96,152	126,820	89,017	160,167	79,554	230,428
Average Annual Increase in Full Value (%)	5.7	6.1	4.6	4.1	7.1	7.8	13.2	11.0	11.6	12.8	11.1
Top Ten TaxPayers as % of Total, Most Recent Value	8.9	8.5	4.0	7.6	13.3	6.8	6.7		113.6	4.0	0.0
Financial Data : Demographic Statistics											
Actual/Estimated Population, Annual Value	212,250	224,889	254,001	173,719	204,784	199,310	214,759	185,240	233,115	145,862	180,100
Population 2000 Census	191,615	185,776	225,581	149,080	195,289	182,969	199,184	180,150	185,951	146,437	152,397
Per Capita County Income (2000 Census)	23,419	22,468	20,984	32,069	36,390	20,362	20,949	17,843	21,216	19,774	27,988
Per Capita Income as % of State (2000 Census)	119.4	110.6	107	156.4	155.6	98.65	87.4	74.4	98.4	82.5	129
Per Capita Income as % of U.S. (2000 Census)	108.5	104.1	97.2	148.6	168.6	94.3	97	82.7	98.3	91.6	128.8
Median Family Income (2000 Census)	50,172	46,595	52,558	77,176	90,606	46,383	56,302	42,520	40,648	46,110	46,175
Median Family Income as % of State (2000 Census)	109.4	100.6	109.4	155.5	175.3	98.15	103.9	78.5	89.1	85.1	101.2
Median Family Income as % of U.S. (2000 Census)	100.3	93.1	105	154.2	181	92.7	112.5	85	81.2	92.1	92.3
Population Change 1990-2000 (%)	23.6	29.5	17.5	33.4	2	8.9	31.1	5.9	12.9	9.5	2
Median Home Value (2000 Census)	94,200	102,200	104,100	162,800	277,900	110,900	122,300	96,400	103,200	91,100	150,100

Moody's Investors Service MFRA

21-October-2010

Analyst Adjusted - Local Governments - City - Comp Report

View Criteria: Aaa-Aa1 Cities. 2000 Pop: 140K-240K

Selected Financials and other Datapoints	Henderson, NV	Montgomery, AL	Chatanooga, TN	Huntington Beach, CA	Tempe, AZ	Knoxville, TN	Glendale, CA	Boise, ID	Glendale, AZ
	2009	2009	2009	2009	2009	2009	2009	2009	2009
General Entity Information									
Current Senior Most Rating	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1
Tax Backed Rating Description	LT SR GOLT	LT SR GO	LT SR GO	ISSUER LT	LT SR GO	LT SR GO	ISSUER LT	ISSUER LT	LT SR GO
Financial Data : Financial Statistics & Ratios									
Total General Fund Revenues (\$000)	218,289	202,278	200,144	181,348	174,716	167,278	161,553	156,429	148,130
General Fund Balance as % of Revenues	11.4	16.7	21.9	21.6	44.1	31.3	77.8	13.9	35.5
Unreserved General Fund Balance as % of Revenues	10.8	15.2	17.6	16.8	43.3	30.5	22.2	9.9	28.5
Unreserved, Undesignated GF Balance as % of Revenues	10.8	9.1	15.7	0.1	30.9	30.5	26.0	0.0	19.9
Total General Fund Balance (\$000)	24,989	33,808	43,747	39,088	76,970	52,339	125,663	21,812	52,630
Financial Data : Debt Statistics & Ratios									
Direct Net Debt Outstanding (\$000)	135,027	235,693	255,413	66,589	459,983	198,458	66,040	27,755	813,366
Overall Net Debt Outstanding (\$000)	813,632	347,587	404,462	525,899	691,177	459,215	249,569	266,783	966,001
Direct Net Debt as % of Full Value	0.3	1.7	1.9	0.3	2.5	1.7	0.3	0.1	3.9
Direct Net Debt Per Capita (\$)	492	1,169	1,495	346	2,664	1,050	319	132	3,253
Debt Burden (Overall Net Debt as % Full Value)	1.7	2.5	3.0	2.0	3.8	4.0	1.1	1.2	4.7
Overall Net Debt Per Capita (\$)	2,966	1,724	2,367	2,730	4,004	2,429	1,204	1,269	3,944
Debt Service as % of Operating Expenditures	8.3	13.0	9.1	0.4	9.8	5.4	7.6	1.6	1.8
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	64.2	39.9	57.8	64.1	57.8	80.7	47.0	42.9	80.0
Payout, 10 Years, General Obligation Debt (%), Current Value	64.2		57.8	70.3	63.6	80.7			79.2
Financial Data : Tax Base Statistics and Ratios									
Total Full Value (\$000)	48,254,794	14,125,345	13,290,929	26,102,478	18,421,003	11,506,302	22,568,450	21,708,435	21,034,639
Full Value Per Capita (\$)	175,924	70,077	77,779	135,513	106,701	60,854	108,963	103,286	84,139
Average Annual Increase in Full Value (%)	17.8	9.7	5.7	6.7	11.3	4.9	7.8	7.2	20.2
Top Ten TaxPayers as % of Total, Most Recent Value	8.3	9.8	15.5	5.7	10.2	4.6	9.6	10.1	6.7
Financial Data : Demographic Statistics									
Actual/Estimated Population, Annual Value	274,293	201,568	154,853	201,993	172,641	189,081	207,303	210,177	250,000
Population 2000 Census	175,381	201,568	155,554	189,594	158,625	173,890	194,973	185,787	218,812
Per Capita County Income (2000 Census)	26,815	19,385	19,689	31,964	22,406	18,171	22,227	22,696	19,124
Per Capita Income as % of State (2000 Census)	121.9	106.6	101.5	140.7	110.5	93.7	97.9	127.2	94.3
Per Capita Income as % of U.S. (2000 Census)	124.2	89.8	91.2	148.1	103.8	84.2	103	105.1	88.6
Median Family Income (2000 Census)	61,176	44,297	41,318	74,378	55,237	37,708	47,633	52,014	51,162
Median Family Income as % of State (2000 Census)	120.3	106.3	94.9	140.3	118.2	86.7	89.8	119.6	109.5
Median Family Income as % of U.S. (2000 Census)	122.2	88.5	82.6	148.6	110.4	75.3	95.2	103.9	102.2
Population Change 1990-2000 (%)	170.1	7.7	2	4.4	11.8	5.3	8.3	47.8	47.7
Median Home Value (2000 Census)	156,000	86,800	83,500	311,800	132,100	78,000	325,700	120,700	118,600

Moody's Investors Service MFRA

21-October-2010

Analyst Adjusted - Local Governments - City - Comp Report

View Criteria: Aaa-Aa1 Cities, 2000 Pop: 140K-240K

Selected Financials and other Datapoints	Amarillo, TX	Des Moines, IA	Santa Rosa, CA	Fort Wayne, IN	Springfield, MO	North Hempstead Town, NY
	2009	2009	2009	2009	2009	2009
General Entity Information						
Current Senior Most Rating	Aa1	Aa1	Aa1	Aa1	Aa1	Aa1
Tax Backed Rating Description	LT SR GO	LT SR GO	ISSUER LT	LT SR LR	LT SR GO	LT SR GO
Financial Data : Financial Statistics & Ratios						
Total General Fund Revenues (\$000)	134,327	132,980	123,573	87,427	78,517	53,297
General Fund Balance as % of Revenues	27.8	10.4	21.6	25.6	15.8	22.8
Unreserved General Fund Balance as % of Revenues	27.7	7.1	15.2	25.3	14.6	21.8
Unreserved, Undesignated GF Balance as % of Revenues	27.7	7.1	15.2	17.9	14.6	18.4
Total General Fund Balance (\$000)	37,373	13,777	26,745	22,358	12,394	12,156
Financial Data : Debt Statistics & Ratios						
Direct Net Debt Outstanding (\$000)	32,923	368,920	33,945	227,309	323,631	287,909
Overall Net Debt Outstanding (\$000)	203,328	473,161	279,279	469,549	525,607	1,533,696
Direct Net Debt as % of Full Value	0.3	3.5	0.2	2.6	3.2	0.5
Direct Net Debt Per Capita (\$)	172	1,872	210	903	2,072	1,273
Debt Burden (Overall Net Debt as % Full Value)	2.1	4.5	1.5	5.4	5.2	2.4
Overall Net Debt Per Capita (\$)	1,062	2,401	1,729	1,866	3,365	6,783
Debt Service as % of Operating Expenditures	2.1	37.4	1.0	6.8	26.3	28.5
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	53.5	73.6	52.2	58.9	44.9	82.7
Payout, 10 Years, General Obligation Debt (%), Current Value	53.5	73.6	53.4	51.8	89.1	81.9
Financial Data : Tax Base Statistics and Ratios						
Total Full Value (\$000)	9,700,398	10,485,684	19,086,678	8,712,264	10,192,516	63,310,580
Full Value Per Capita (\$)	50,651	53,213	118,187	34,629	65,250	280,000
Average Annual Increase in Full Value (%)	6.5	6.2	7.7	1.9	4.9	7.4
Top Ten TaxPayers as % of Total, Most Recent Value	5.3		4.0	6.9	3.1	7.7
Financial Data : Demographic Statistics						
Actual/Estimated Population, Annual Value	191,514	197,052	161,496	251,591	154,777	226,109
Population 2000 Census	173,627	198,682	147,595	205,727	151,580	222,611
Per Capita County Income (2000 Census)	18,621	19,467	24,495	18,517	17,711	41,621
Per Capita Income as % of State (2000 Census)	94.9	98.9	107.9	90.8	88.8	178
Per Capita Income as % of U.S. (2000 Census)	86.3	90.2	113.5	85.8	82	192.8
Median Family Income (2000 Census)	42,536	46,590	59,659	45,040	38,114	94,156
Median Family Income as % of State (2000 Census)	92.7	97.1	112.5	89.6	82.8	182.2
Median Family Income as % of U.S. (2000 Census)	85	93.1	119.2	90	76.2	188.1
Population Change 1990-2000 (%)	10.2	2.8	30.3	18.9	7.9	5.3
Median Home Value (2000 Census)	74,400	81,100	245,000	74,600	79,800	354,100

Migody's Investors Service MIFRA

21-October-2010

Analyst Adjusted - Local Governments - City - Comp Report

View Criteria: Aaa-Aa1 Cities, 2000 Pop: 140K-240K

Selected Financials and other Datapoints	Aa2 Medians 2009	Richmond, VA 2009	Norfolk, VA 2009	Mobile, AL 2009	Reno, NV 2009	Tacoma, WA 2009	Spokane, WA 2009	Dayton, OH 2009	Chula Vista, CA 2009	Little Rock, AR 2009
General Entity Information										
Current Senior Most Rating	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
Tax Backed Rating Description		LT SR GO	LT SR GO	LT SR GO	LT SR GOLT	LT SR GO	LT SR GO	LT SR GOLT	ISSUER LT	LT SR GOLT
Financial Data : Financial Statistics & Ratios										
Total General Fund Revenues (\$000)	143,626	639,170	590,888	203,296	201,540	196,398	153,551	153,467	150,167	145,440
General Fund Balance as % of Revenues	20.7	7.9	9.9	2.2	5	19.5	23.4	23.4	22.1	15.3
Unreserved General Fund Balance as % of Revenues	15.8	7.6	8.7	-0.6	4.2	7	22.7	21	8.3	14.5
Unreserved, Undesignated GF Balance as % of Revenues	11.95	7.6	7	-0.6	4.2	7	9.8	16.7	5.8	14.5
Total General Fund Balance (\$000)	28,609	50,739	58,626	4,486	10,067	38,261	35,991	35,838	33,150	22,281
Financial Data : Debt Statistics & Ratios										
Direct Net Debt Outstanding (\$000)	158,426	576,396	579,471	288,909	65,011	138,640	168,184	109,937	139,440	116,277
Overall Net Debt Outstanding (\$000)	444,961	576,396	579,471	485,782	337,060	716,564	940,952	314,465	1,230,110	293,463
Direct Net Debt as % of Full Value	1.7	2.5	2.7	2.3	0.3	0.6	1.2	2.1	0.5	0.6
Direct Net Debt Per Capita (\$)	799	2,853	2,474	710	300	683	827	713	636	635
Debt Burden (Overall Net Debt as % Full Value)	3.25	2.5	2.7	3.9	1.5	3.3	3.2	6	4.7	1.6
Overall Net Debt Per Capita (\$)	2,454	2,853	2,474	1,194	1,553	3,530	1,721	2,039	5,609	1,602
Debt Service as % of Operating Expenditures	8.7	9	11.9	11.3	6.1	3.5	0	6.2	9.7	8.4
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	59.25	68.8	63.4	56.4	62	29.8	55.4	79.3	42.4	71.9
Payout, 10 Years, General Obligation Debt (%), Current Value	64.1	68.8	63.4	56.4	100	12.6	55.4	79.3	100	71.9
Financial Data : Tax Base Statistics and Ratios										
Total Full Value (\$000)	14,820,731	23,112,405	21,693,775	12,420,470	22,305,762	21,625,087	14,233,634	5,201,707	25,990,844	17,999,934
Full Value Per Capita (\$)	81,487	114,417	92,621	30,523	102,784	106,528	70,352	33,734	118,508	98,289
Average Annual Increase in Full Value (%)	8.15	9	13.6	1.2	10.4	11.7	9.2	-2.3	13.4	6.2
Top Ten TaxPayers as % of Total, Most Recent Value	7	6.8	7.2	29.2	7.8	3.6	8	9	5.7	7.8
Financial Data : Demographic Statistics										
Actual/Estimated Population, Annual Value	200,123	200,123	235,000	406,928	223,012	203,000	203,268	156,771	230,397	183,133
Population 2000 Census	183,695	197,790	234,403	198,915	180,480	193,556	195,629	166,179	173,556	183,133
Per Capita County Income (2000 Census)	18,504	20,337	17,372	18,072	22,520	19,130	18,451	15,547	18,556	23,209
Per Capita Income as % of State (2000 Census)	85.75	84.8	72.5	99.4	102.4	83.3	80.3	74	81.7	137.3
Per Capita Income as % of U.S. (2000 Census)	85.75	94.2	80.5	83.7	104.3	88.6	85.5	72	86	107.5
Median Family Income (2000 Census)	43,383	38,348	36,891	39,752	49,582	45,567	41,316	34,978	50,136	47,446
Median Family Income as % of State (2000 Census)	91.55	70.8	68.1	95.4	97.5	84.8	76.9	69.9	94.6	122.7
Median Family Income as % of U.S. (2000 Census)	86.7	76.6	73.7	79.4	99.1	91.1	82.6	69.9	100.2	94.8
Population Change 1990-2000 (%)	8.4	-2.6	-10.3	1.3	34.8	9.6	10.4	-8.7	28.4	4.2
Median Home Value (2000 Census)	90,350	87,300	88,400	81,400	158,700	123,300	97,000	67,300	197,000	89,300

Moody's Investors Service MIFRA

21-October-2010

Analyst Adjusted - Local Governments - City - Comp Report

View Criteria: Aaa-Aa1 Cities. 2000 Pop: 140K-240K

Selected Financials and other Datapoints	Aurora, IL	Laredo, TX	Vancouver, WA	Lubbock, TX	Hayward, CA	Grand Rapids, MI	Jackson, MS	Pasadena, TX	Babylon Town, NY
	2009	2009	2009	2009	2009	2009	2009	2009	2008
General Entity Information									
Current Senior Most Rating	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
Tax Backed Rating Description	LT SR GO	LT SR GO	ISSUER LT	LT SR GO	ISSUER LT	LT SR GO	LT SR GO	LT SR GO	LT SR GO
Financial Data : Financial Statistics & Ratios									
Total General Fund Revenues (\$000)	141,812	140,212	126,745	121,522	120,687	118,252	114,090	91,766	41,198
General Fund Balance as % of Revenues	14.1	21.9	22.2	16.4	27	15.8	25.4	27.8	29
Unreserved General Fund Balance as % of Revenues	14.1	20.8	21.4	16.3	18	15.3	21.8	24.6	19.7
Unreserved, Undesignated GF Balance as % of Revenues	14.1	20.8	14.3	16.3	0	6.5	21.8	24.6	14.8
Total General Fund Balance (\$000)	19,947	30,692	28,188	19,881	32,587	18,733	29,030	25,555	11,962
Financial Data : Debt Statistics & Ratios									
Direct Net Debt Outstanding (\$000)	221,650	235,244	100,207	250,166	32,309	153,765	163,087	120,483	217,061
Overall Net Debt Outstanding (\$000)	635,209	619,211	416,382	584,143	367,234	358,764	344,760	407,026	473,539
Direct Net Debt as % of Full Value	5.3	2.3	0.6	2.1	0.2	1.4	2.1	2	0.8
Direct Net Debt Per Capita (\$)	1,290	1,009	609	1,146	214	796	885	802	1,028
Debt Burden (Overall Net Debt as % Full Value)	15	6	2.5	5	2.4	3.2	4.4	6.8	1.8
Overall Net Debt Per Capita (\$)	3,698	2,656	2,531	2,676	2,434	1,857	1,871	2,710	2,243
Debt Service as % of Operating Expenditures	11.5	20	8.3	15.3	2.5	7.9	7.9	11.9	17.3
Payout, 10 Years, All Tax-Supported Debt (%), Current Value	48	52.4	66.1	59.1	59.4	49.4	46.9	67.9	89.9
Payout, 10 Years, General Obligation Debt (%), Current Value	48	52.4	66.1	59.1	59.1	64.1	46.9	67.9	90
Financial Data : Tax Base Statistics and Ratios									
Total Full Value (\$000)	4,220,847	10,385,967	16,895,019	11,673,074	15,407,827	11,244,522	7,777,084	6,009,961	26,019,632
Full Value Per Capita (\$)	24,571	44,546	102,705	53,466	102,121	58,211	42,208	40,018	118,400
Average Annual Increase in Full Value (%)	7.6	11.5	10.7	7.6	4.9	3.4	1.2	6.7	8.7
Top Ten TaxPayers as % of Total, Most Recent Value	4.1	4.4	6	4	6.4	7.9	16.6	7.9	4.2
Financial Data : Demographic Statistics									
Actual/Estimated Population, Annual Value	171,782	233,152	164,500	218,327	150,878	193,167	184,256	150,180	
Population 2000 Census	142,990	176,576	143,560	199,564	140,030	197,800	184,256	141,674	211,792
Per Capita County Income (2000 Census)	22,131	11,084	20,192	17,511	19,695	17,661	17,116	16,301	22,844
Per Capita Income as % of State (2000 Census)	95.8	56.5	87.9	89.3	86.7	79.7	108	83.1	97.7
Per Capita Income as % of U.S. (2000 Census)	102.5	51.3	93.5	81.1	91.2	81.8	79.3	75.5	105.8
Median Family Income (2000 Census)	61,113	30,449	47,696	41,418	54,712	44,224	36,003	42,541	66,261
Median Family Income as % of State (2000 Census)	110	66.4	88.7	90.3	103.2	82.7	96.2	92.8	128.2
Median Family Income as % of U.S. (2000 Census)	122.1	60.8	95.3	82.8	109.3	88.4	71.9	85	132.4
Population Change 1990-2000 (%)	43.6	43.7	209.5	7.2	25.6	4.6	-6.3	18.7	4.4
Median Home Value (2000 Census)	135,500	77,900	142,900	69,500	237,300	91,400	64,400	70,300	167,600

Appendix D

Florida Market Commentary

Appendix D

JANUARY 31 - FEBRUARY 4, 2011

Upward pressure continues for the tax-exempt market as yields rose 1 to 14 basis points across the curve. As if the market needed any help to push yields higher, a number of news worthy items presented themselves including, but not limited to, job growth, stabilization in the equity market, unrest in Egypt and an under siege treasury market. At the risk of sounding like a broken record, the LipperFMI report showed late Thursday that for the 12th week in a row, cash flowed out of municipal bond funds to the tune of \$1.07 billion in the week ended February 2nd.

Headline risk continues. The RBC Consumer Outlook Index survey of 1,011 U.S. adults revealed that less than one quarter of the U.S. consumers view municipal bonds as a smart investment. According to Chris Mauro, head of municipal bond research for RBC Capital Markets, this is confirmation that the continual stream of news stories about state and local government fiscal problems is having a negative impact on investor perception.

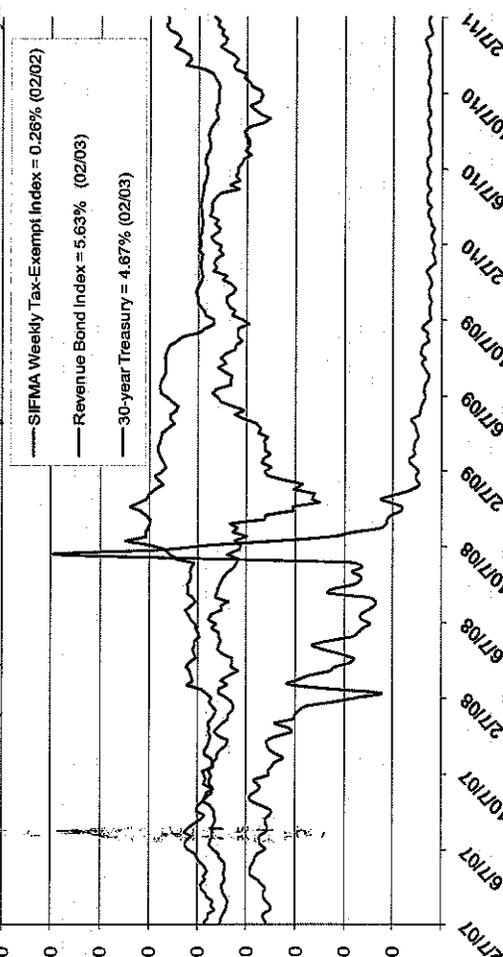
Tom Dalpiaz of Advisors Asset Management reported that tax-exempts largely missed out on what historically can be a period of rising prices in January, when bondholders reinvest coupon payments and redemptions, partly because investors were drawn to the prospect of getting better returns in equities. Light issuance helped in this respect as tax-exempts experienced a small measure of price appreciation for the month of January with slightly over \$12 billion coming to market as compared to \$34.4 billion that made it to market last year.

Slightly over \$2.9 billion made it to market this week with approximately \$2.75 billion on tap for the week of February 11th.

The MMD triple-A curve continued its downward trend, or up in yield with the 5-year up 4 basis points to yield a 1.89%, the 10-year up 7 basis points to yield a 3.38% and the 30-year up 14 basis points to yield a 4.92%. Cross-over and retail buyers now have retreated to the sidelines or to investments deemed more fruitful as the long end of the curve push through a 5%. The MMD triple-A muni scale in 10 years was at 92.9% of comparable Treasuries and 30-year munis were at 104% on Friday, according to MMD.

As generous as the aforementioned may appear, the tax-exempt market appears to have assumed a defensive posture despite the relatively low new issue supply as spreads look to widen. Bonds will have to cheapen even more to draw interest back to the market place.

4-Year History of Weekly Floating Rate Index (SIFMA) vs. Bond Buyer 25-Bond Revenue Bond Index (RBI) and 30-Year Treasury Source: Thomson Reuters and The Bond Buyer



Market Movers Source: Bloomberg

Date	Event	Estimate	Actual
1/31	PCE Core (MoM)	0.10%	0.00%
1/31	PCE Core (YoY)	0.80%	0.70%
1/31	Dallas Fed Manf. Activity	15	10.9
2/1	ISM Manufacturing	58	60.8
2/2	ADP Employment Change	140K	187K
2/3	Initial Jobless Claims	420K	415K
2/3	Continuing Claims	3950K	3925K
2/4	Change in Nonfarm Payrolls	146K	36K
2/4	Change in Private Payrolls	145K	50K
2/4	Unemployment Rate	9.50%	9.00%
2/7	Consumer Credit	\$2.500B	--
2/8	NFIB Small Business Optimism	94	--
2/8	JOLTs Job Openings	--	--
2/8	ABC Consumer Confidence	--	--
2/9	MBA Mortgage Applications	--	--
2/10	Initial Jobless Claims	410K	--
2/10	Continuing Claims	3900K	--
2/10	Wholesale Inventories	0.80%	--
2/10	Monthly Budget Statement	-\$60.5B	--
2/11	U. of Michigan Confidence	75	--

FL Investment Pool Information

February 5, 2011	Rate
Overnight	0.29%
30-Day	0.26%
January 2011	0.26%
January 2010	0.17%

Fed Outlook

Date of FOMC Meeting	FED Funds Forecast
15 - Mar 2011	0.25%
27 - Apr 2011	0.25%
22 - Jun 2011	0.25%
9 - Aug 2011	0.25%
20 - Sep 2011	0.25%
20 - Nov 2011	0.25%
13 - Dec 2011	0.25%
25 - Jan 2012	0.50%

Select Florida Sales	Underlying Ratings Moody's/S&P/Fitch Insured	Pricing Date	Amount (000's)	Some bonds may have calls		
				Coupon (%)	Yield (%)	
Brd of Governors of FL - Univ Sys Imp Rev Ref Bonds Series 2011A (TIC 2.31%)	Aa2 / AA / AA (None)	2/3/11	\$38,990	5.00%/0.80%	5.00%/2.35%	N/A
FL Higher Ed Fac Financing Auth - Ed Fac Rev & Ref Bonds, Series 2011	Baa2/BBB/BBB (None)	2/3/11	\$37,480	3.00%/2.34%	5.00%/4.12%	6.375%/6.50%

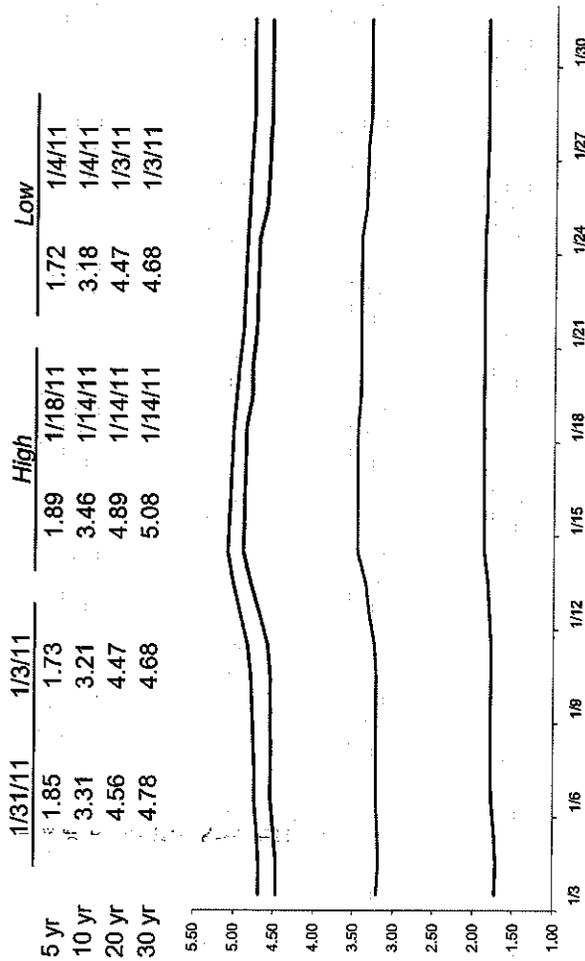
For additional information, please contact: Ed Marquez • Direct: 305.819.8886 • edward.marquez@firsisw.com

These graphs depict historical interest rates and their respective relationships. Future interest rates are dependent upon many factors such as, but not limited to, interest rate trends, tax rates, supply, changes in laws, rules and regulations, as well as changes in credit quality and rating agency considerations. The effect of such changes in such assumptions may be material and could affect the projected results. These results should be viewed with these potential changes in mind as well as the understanding that there may be disruptions in the short term market or no market may exist at all.

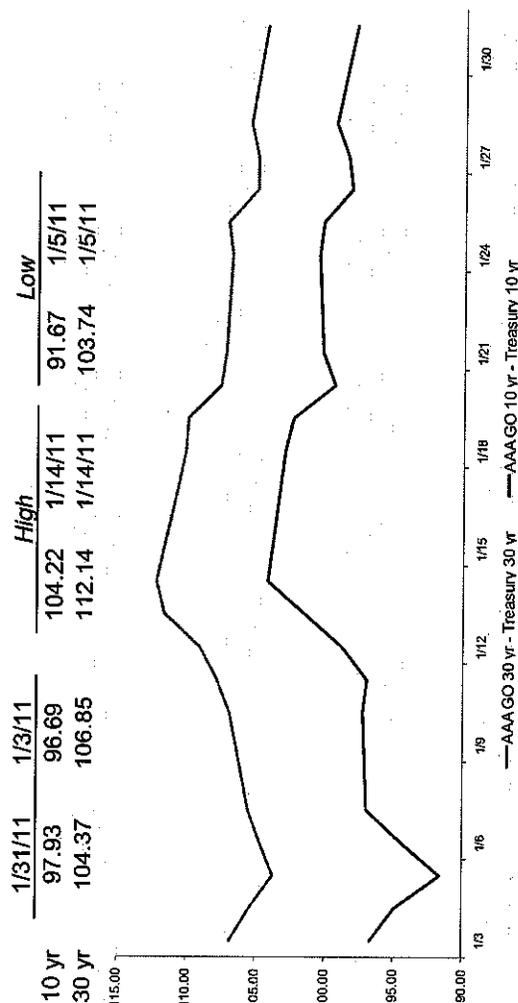
Municipal Update By the Numbers

JANUARY 1, 2011 through JANUARY 31, 2011

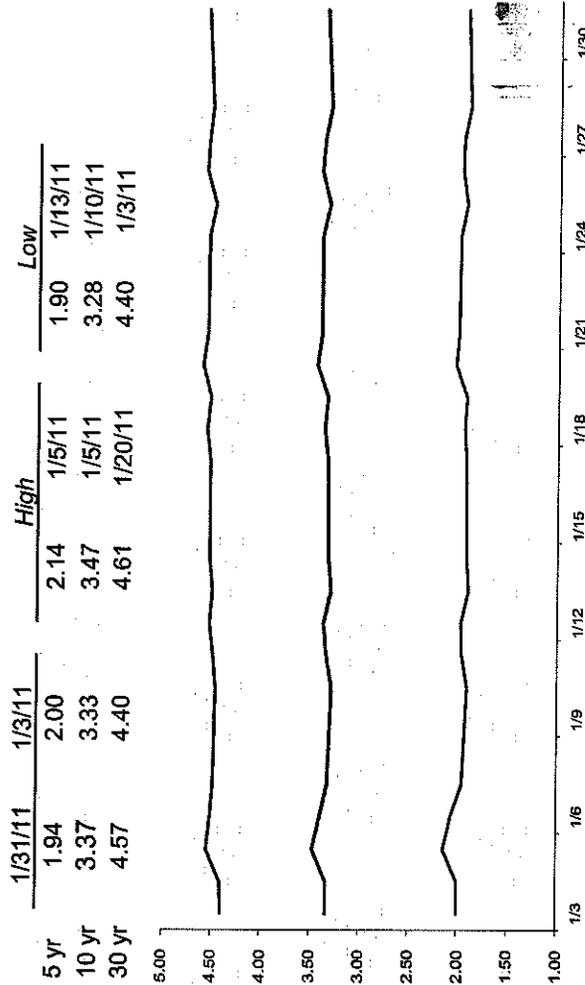
MMD AAA Scale Thomson Reuters



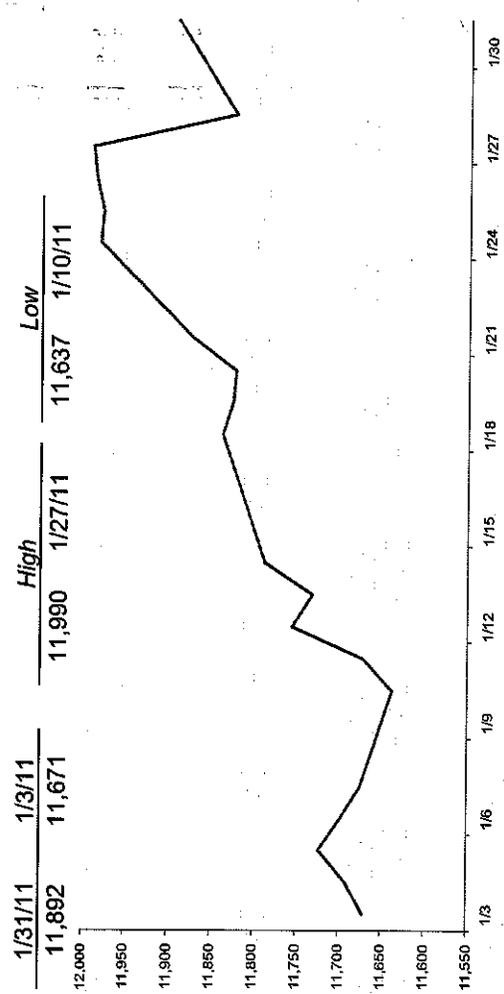
MMD % of AAA Yields to Treasuries Thomson Reuters



Treasuries Bloomberg



Dow Bloomberg



Municipal Update By the Numbers

JANUARY 1, 2011 through JANUARY 31, 2011

Bond Buyer 20-Bond GO Index ("BBI") The Bond Buyer

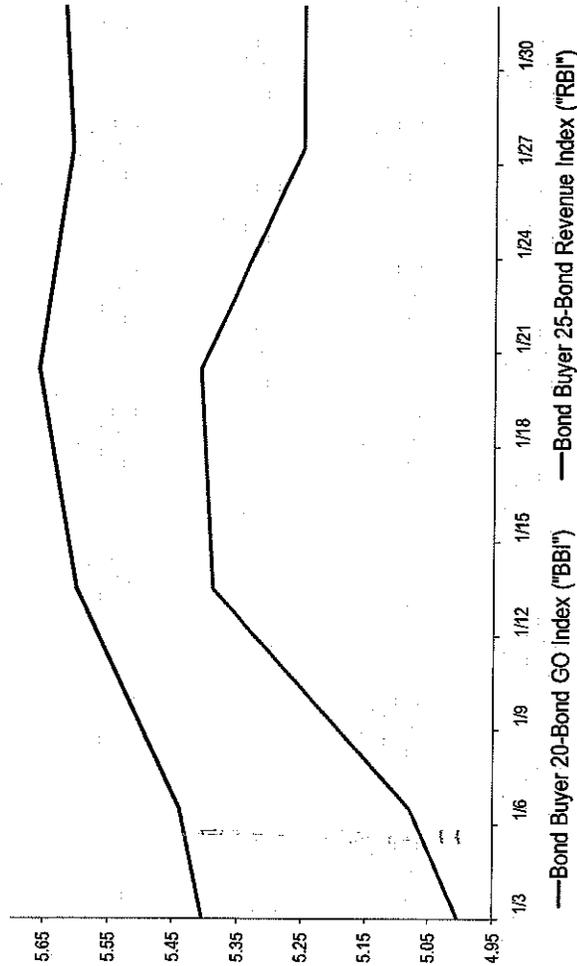
1/27/11	1/3/11	High	Low
5.25	4.95	5.41	5.08
		1/20/11	1/6/11

Bond Buyer 25-Bond Revenue Index ("RBI") The Bond Buyer

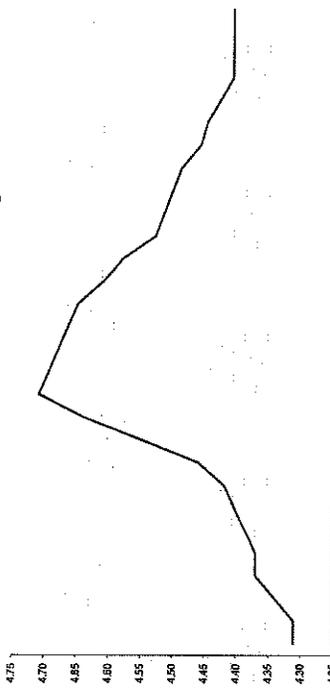
1/27/11	1/3/11	High	Low
5.61	5.38	5.66	5.44
		1/20/11	1/6/11

BBI vs. RBI Sector Spreads The Bond Buyer

1/27/11	1/3/2011	High	Low
36 bps	43 bps	43 bps	21 bps
		1/3/11	1/13/11



MMD 1-30 yr Muni AAA Yield Curve Slope Thomson Reuters



1/31/11 1/3/11

441 bps 431 bps

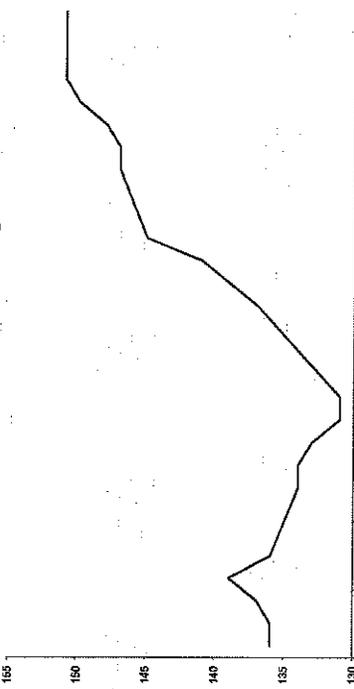
Steepest

471 bps 1/14/11

Flattest

431 bps 1/3/11

MMD AAA vs BAA GO 30 yr Credit Spreads Thomson Reuters



1/31/11 1/3/11

151 bps 136 bps

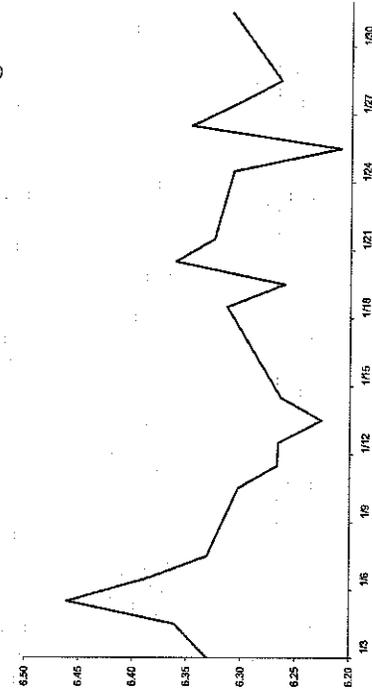
Widest

151 bps 1/31/11

Tightest

131 bps 1/14/11

The Wells Fargo Build America Bond Index Wells Fargo



1/31/11 1/3/11

6.3105 6.3413

High 1/5/11

6.4611

Low 1/13/11

6.2266

All information contained herein is obtained by FirstSouthwest from sources believed by it to be accurate and reliable. Information and analysis are provided "as is" without warranty of any kind, and FirstSouthwest makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information or analysis. Nothing herein constitutes or should be construed as a legal opinion or tax advice. You should consult with your attorney, accountant, financial advisor or other consultant with regard to your own situation or that of any entity you represent or advise.

Municipal Update By the Numbers

JANUARY 3, 2011 through JANUARY 31, 2011

MMD AAA Scale

	1/31/11	1/3/11	High	Low
5 yr	1.85	1.73	1.89	1.72
10 yr	3.31	3.21	3.46	3.18
20 yr	4.56	4.47	4.89	4.47
30 yr	4.78	4.68	5.08	4.68

Treasuries

	1/31/11	1/3/11	High	Low
5 yr	1.94	2.00	2.14	1.90
10 yr	3.37	3.33	3.47	3.28
30 yr	4.57	4.40	4.61	4.40

Dow

	1/31/11	1/3/11	High	Low
	11,892	11,671	11,990	11,637

MMD % AAA Yields to Treasuries

	1/31/11	1/3/11	High	Low
10 yr	97.93	96.69	104.22	91.67
30 yr	104.37	106.85	112.14	103.74

MMD 1-30 Year Muni AAA Yield Curve Slope

	1/31/11	1/3/11	Steepest	Flattest
	441 bps	431 bps	471 bps	431 bps

MMD AAA vs. BAA GO 30-Year Credit Spreads

	1/31/11	1/3/11	Widest	Tightest
	151 bps	136 bps	151 bps	131 bps

Bond Buyer 20-Bond GO Index ("BBI")

1/27/11	1/3/11	High	Low
5.25	4.95	5.41	5.08

Bond Buyer 25-Bond Revenue Index ("RBI")

1/27/11	1/3/11	High	Low
5.61	5.38	5.66	5.44

BBI vs. RBI Sector Spreads

1/27/11	1/3/2011	High	Low
36 bps	43 bps	43 bps	21 bps

The Wells Fargo Build America Bond Index

1/31/11	1/3/11	High	Low
6.3105	6.3413	6.4611	6.2266

For more information, please contact Ed Marquez
 edward.marquez@firstsw.com
 305.819.8886

All information contained herein is obtained by FirstSouthwest from sources believed by it to be accurate and reliable. Information and analysis are provided "as is" without warranty of any kind, and FirstSouthwest makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information or analysis. Nothing herein constitutes or should be construed as a legal opinion or tax advice. You should consult with your attorney, accountant, financial advisor or other consultant with regard to your own situation or that of any entity you represent or advise.

Proposal to Provide Financial Advisory Services

Appendix E

Sample Recommendation Report

Appendix E





Contact

Edward D. Stull, Jr.
Managing Director
20 North Orange Avenue
Suite 1209
Orlando, Florida 32801
Phone: 407.426.9611
Email: ed.stull@firstsw.com



Report of the Financial Advisor
General Obligation Refunding Notes, Series 2010
Capital Improvement Refunding Revenue Notes, Series 2010

October 19, 2010

CITY OF FERNANDINA BEACH, FLORIDA

Overview of RFPs for Bank Qualified Loans

- Request for Proposals (“RFP”) for the following two (2) bank loans were sent out to twenty-one (21) lending institutions on September 13, 2010:
 - A Bank Qualified Bank Loan not to exceed \$4,100,000 for the purpose of refunding the City’s outstanding General Obligation Bonds, Series 2001
 - A Bank Qualified Bank Loan not to exceed \$6,700,000 for the purpose of refunding the City’s outstanding Capital Improvement Revenue Note, Series 2005 The loan will be secured by the City’s Franchise Fees.

Overview of RFP for Bank Qualified Loan

- Requested the following terms on the loans:
 - Fixed rate financing for entire term of the loans
 - No prepayment penalty at any time
 - The quoted fixed rate would be held for thirty (30) days
- Preference given to financial institutions with an office within the City of Fernandina Beach city limits.
- Due date of September 30, 2010

RFP Responses

- The City received a total of seven (7) responses on each loan:

Bank	General Obligation Loan	Capital Improvement Loan
Bank of America	Yes	Yes
BB&T	Yes	Yes
Capital One Bank	No	Yes
Fifth Third Bank	Yes	Yes
First Federal Bank of FL	Yes	Yes
Hancock Bank	Yes	No
JPMorgan Chase	No	Yes
PNC Bank	Yes	No
SunTrust Bank	Yes	Yes

Summary of RFP Responses – GO Bank Loan

<u>Bank</u>	<u>Rate</u>	<u>Rate Locked?</u>	<u>Flat Fee</u>	<u>Make Whole</u>	<u>Closing Costs</u>
Bank of America	2.32%	No	No	Yes	\$5,000
BB&T	2.36%	Yes	Yes	No	\$3,000
Fifth Third Bank	3.28%	No	No	Yes	None
First Federal	3.77%	Yes	Yes	No	\$10,349
Hancock Bank	2.85%	Yes	No	No	\$2,500
PNC	2.70%	No	No	Yes	\$3,000
SunTrust – Option 1	2.42%	Yes	No	No	\$5,000
SunTrust – Option 2	2.30%	Yes	No	Yes	\$5,000

Recommendation for General Obligation Bank Loan

- Of the seven (7) qualified proposals received, the Branch Banking & Trust ("BB&T") proposal provides the City with the combination of a low interest rate of 2.36% and a prepayment penalty limited to 1%. The all in interest cost, which includes Bank expenses and other estimated costs including Bond Counsel and Financial Advisor fees is 2.54%, which is a substantial savings over the current average coupon of 4.92% on the Series 2001 bonds. The BB&T proposal included the following terms and conditions:

- Rate held firm for 45 days
- Bank Counsel and Underwriting fee of \$3,000.
- Prepayment penalty of 1%
- Interest accrued on a 30/360 day count basis.
- Savings of over \$557,000 over the life of the bonds (>\$50,000/yr)
- Net present value savings: \$490,232 or 12.3% of the par amount of refunded bonds

Recommendation for Capital Improvement Note

▪ Of the seven (7) qualified proposals received, the SunTrust proposal provides the City with the combination of a competitive interest rate of 2.41% and no prepayment penalty, which provides significant flexibility to the City. The all in interest cost, which includes Bank expenses and other estimated costs including Bond Counsel and Financial Advisor fees is 2.56%, which is a healthy savings over the current rate of 3.77% on the Series 2005 Note. The SunTrust proposal included the following terms and conditions:

- Rate held firm for 30 days
- Bank Counsel fee of \$3,000.
- No prepayment penalty
- Savings of over \$483,000 over the life of the loan (~\$48,000/yr)
- Net present value savings: \$426,514 or 6.5% of the par amount of refunded loan.

Timeline

- 09/13/2010 RFPs Issued
- 09/30/2010 Received RFP Response
- 10/05/2010 FirstSouthwest provided analysis and recommendation on both RFPs to the City
- 10/11/2009 Drafts of Documents Circulated
- 10/13/2010 Comments due on Drafts of Documents
- 10/19/2010 City Commission
- 10/20/2010 Closing on both Bank Loans

Proposal to Provide Financial Advisory Services

Appendix F

State of Florida Certificate of Good Standing

Appendix F



State of Florida

Department of State

I certify from the records of this office that FIRST SOUTHWEST COMPANY is a corporation organized under the laws of Delaware, authorized to transact business in the State of Florida, qualified on January 21, 2004.

The document number of this corporation is F04000000354.

I further certify that said corporation has paid all fees due this office through December 31, 2010, that its most recent annual report was filed on April 20, 2010, and its status is active.

I further certify that said corporation has not filed a Certificate of Withdrawal.

*Given under my hand and the Great Seal of
Florida, at Tallahassee, the Capital, this the
Twenty Fifth day of October, 2010*



Laura K. Roberts
Secretary of State

Authentication ID: 700187059407-102510-F04000000354

To authenticate this certificate, visit the following site, enter this ID, and then follow the instructions displayed.

<https://efile.sunbiz.org/certauthver.html>

FLORIDA DEPARTMENT OF STATE DIVISION OF CORPORATIONS



[Home](#) [Contact Us](#) [E-Filing Services](#) [Document Searches](#) [Forms](#) [Help](#)

[Previous on List](#) [Next on List](#) [Return To List](#)

Entity Name Search

No Events

No Name History

Detail by Entity Name

Foreign Profit Corporation

FIRST SOUTHWEST COMPANY

Filing Information

Document Number F04000000354

FE/EIN Number 750708002

Date Filed 01/21/2004

State DE

Status ACTIVE

Principal Address

325 NORTH ST. PAUL STREET
SUITE 800
DALLAS TX 75201 US

Changed 04/06/2006

Mailing Address

325 NORTH ST. PAUL STREET
SUITE 800
DALLAS TX 75201 US

Changed 04/06/2006

Registered Agent Name & Address

CAPITOL CORPORATE SERVICES, INC.
155 OFFICE PLAZA DR., STE. A
TALLAHASSEE FL 32301 US

Name Changed: 09/25/2006

Address Changed: 09/25/2006

Officer/Director Detail

Name & Address

Title CPD

FEINBERG, HILL A
325 NORTH ST. PAUL STREET, SUITE 800
DALLAS TX 75201

Title D

BARTOLOTTA, MICHAEL G
1021 MAIN STREET, SUITE 2200
HOUSTON TX 77002

Title V

COMMONS, DAVID A
325 NORTH ST. PAUL STREET, SUITE 800
DALLAS TX 75201

Title S

WITTNEBEN, BRIAN L
325 NORTH ST. PAUL STREET, STE. 800
DALLAS TX 75201

Title D

MARZ, MICHAEL J
325 NORTH ST. PAUL STREET, STE. 800
DALLAS TX 75201

Title D

ENTREKIN, ANNE B
325 NORTH ST. PAUL STREET, STE 800
DALLAS TX 75201

Annual Reports

Report Year Filed Date

2008 04/02/2008
2009 03/31/2009
2010 04/20/2010

Document Images

- [04/20/2010 -- ANNUAL REPORT](#)
- [03/31/2009 -- ANNUAL REPORT](#)
- [04/02/2008 -- ANNUAL REPORT](#)
- [04/26/2007 -- ANNUAL REPORT](#)
- [09/25/2006 -- Reg. Agent Change](#)
- [04/06/2006 -- ANNUAL REPORT](#)
- [04/07/2005 -- ANNUAL REPORT](#)
- [02/13/2004 -- Reg. Agent Change](#)
- [01/21/2004 -- Foreign Profit](#)

Note: This is not official record. See documents if question or conflict.

[Previous on List](#) [Next on List](#) [Return To List](#)

Entity Name Search

No Events

No Name History

| [Home](#) | [Contact us](#) | [Document Searches](#) | [E-Filing Services](#) | [Forms](#) | [Help](#) |

Copyright © and Privacy Policies
State of Florida, Department of State

Proposal to Provide Financial Advisory Services

Appendix G

Certificate of Insurance

Appendix G

FirstSouthwest 
A PlainsCapital Company



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/25/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Roach Howard Smith & Barton 3750 N. Central Expressway Suite 500 Dallas TX 75231	CONTACT NAME: Stephanie Harrison	
	PHONE (A/C, No. Ext): (972) 231-1300	FAX (A/C, No.): (972) 231-1368
E-MAIL ADDRESS: sharrison@rhsb.com		
PRODUCER CUSTOMER ID#: David Kohl		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Texas Mutual Ins Co		22945
INSURER B: Great Northern Ins Co		20303
INSURER C: Federal Ins Co		20281
INSURER D: Travelers Prop & Cas America		25674
INSURER E: Westchester Surplus Lines		10172
INSURER F:		

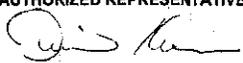
INSURED
 First Southwest Company
 First Southwest Asset Management
 325 N. St. Paul
 Suite 800
 Dallas TX 75201
 (214) 953-4000

COVERAGES **CERTIFICATE NUMBER:** Cert ID 17258 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

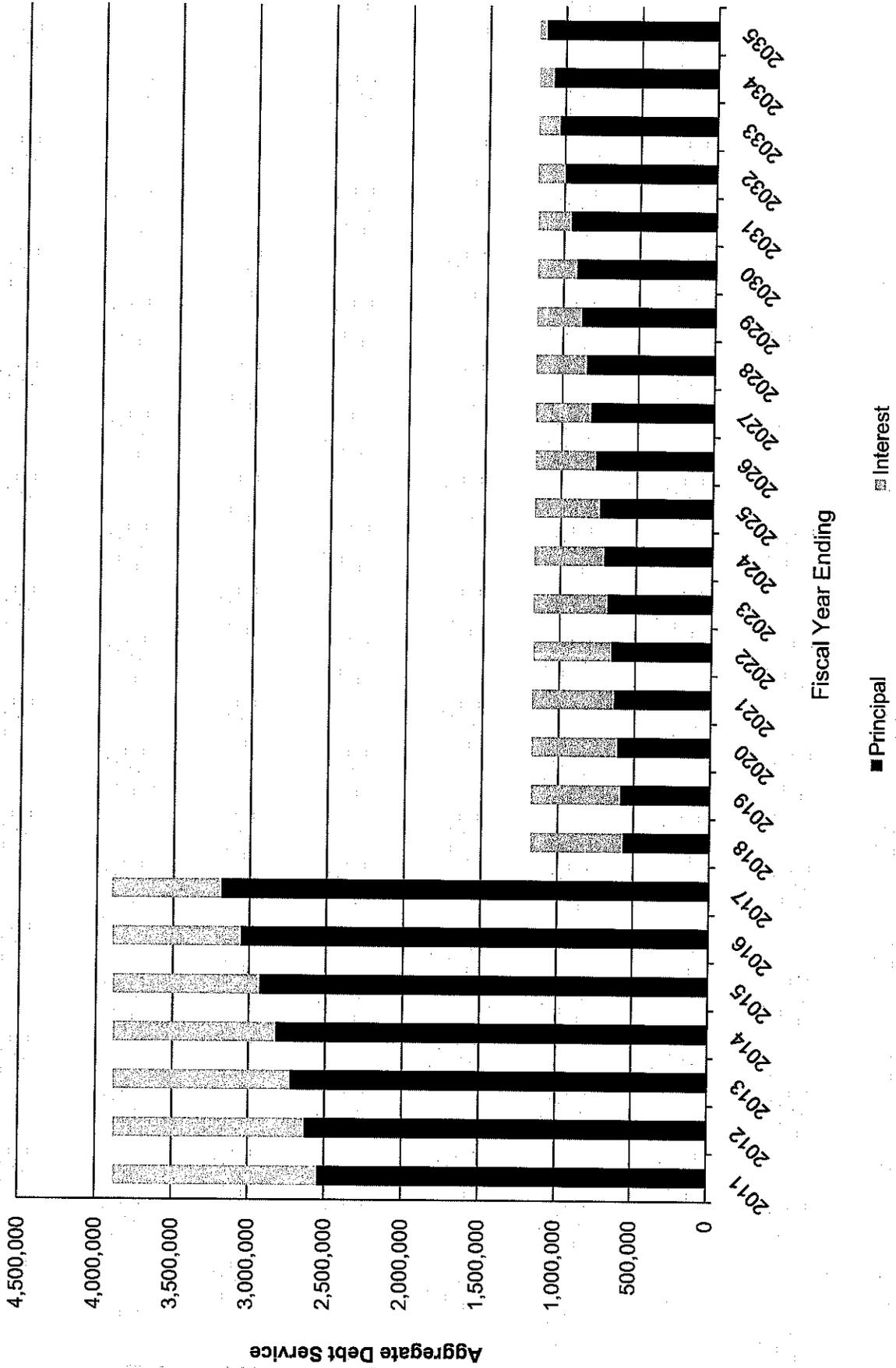
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY						
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	Y	Y	35787714	12/15/2010	12/15/2011	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
							MED EXP (Any one person) \$ 10,000
							PERSONAL & ADV INJURY \$ 1,000,000
							GENERAL AGGREGATE \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PRODUCTS - COMP/OP AGG \$ Included
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						\$
B	AUTOMOBILE LIABILITY						
	<input type="checkbox"/> ANY AUTO	Y	Y	74968567	12/15/2010	12/15/2011	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per person) \$
	<input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS						HC Phys Dmg Limit \$ 50,000
							HC Comp/Coll Ded's \$ 500
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR	Y	Y	79785393	12/15/2010	12/15/2011	EACH OCCURRENCE \$ 10,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE						AGGREGATE \$ 10,000,000
	<input type="checkbox"/> DEDUCTIBLE						\$
	<input type="checkbox"/> RETENTION \$						\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	TSP0001199604 - TX HEUB3491N91610 - OS	4/1/2010 4/1/2010	4/1/2011 4/1/2011	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
							E.L. EACH ACCIDENT \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
E	Errors & Omissions			G23619295006	12/20/2010	12/20/2011	Broker/Dealer E&O Claims Made \$10,000,000 each claim/occurrence \$10,000,000 aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
blanket additional insured as indicated above when required by written contract.
blanket waiver of subrogation as indicated above when required by written contract.
Certificate Holder is additional insured and given 10 days notice prior to cancellation.

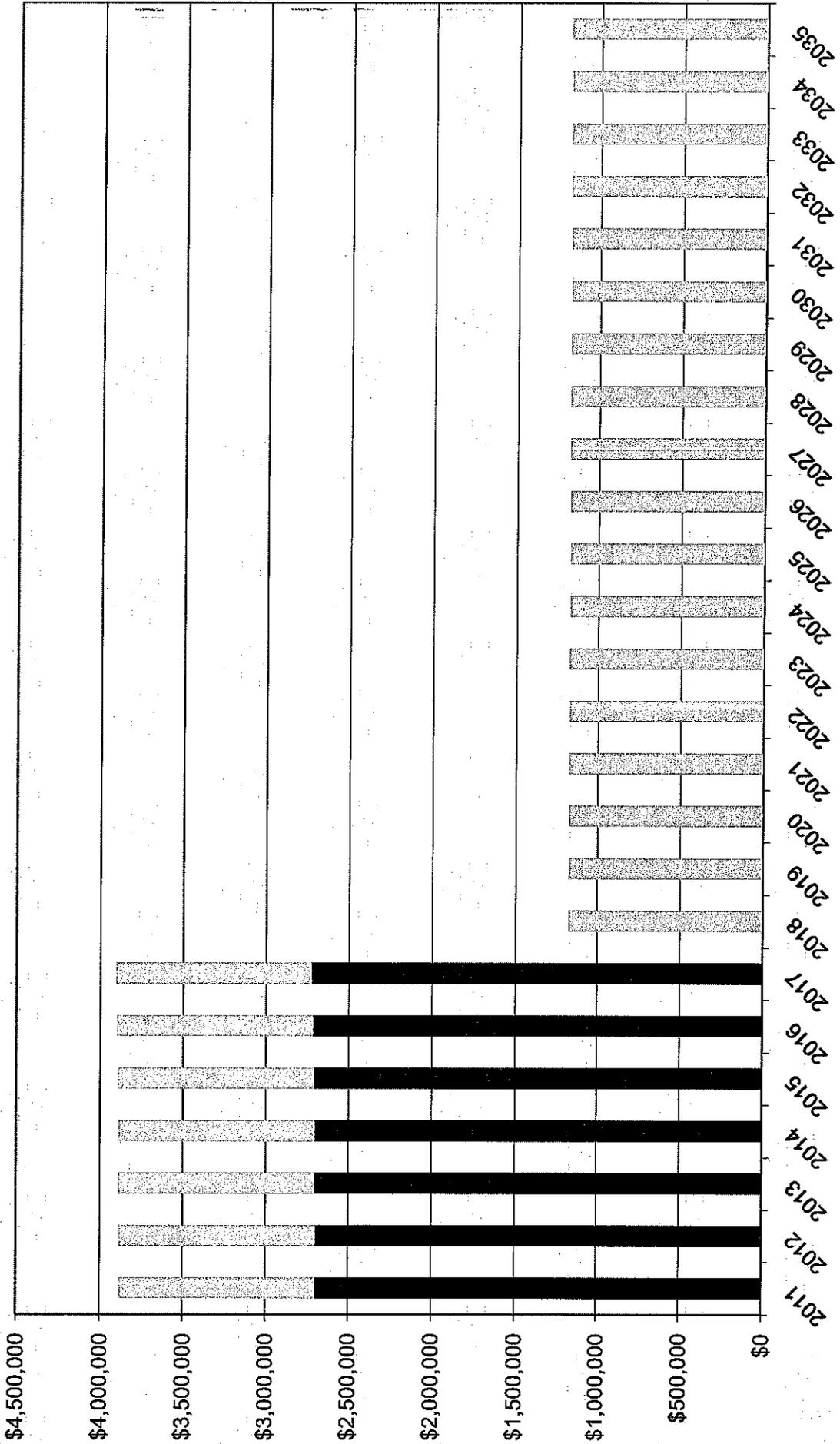
CERTIFICATE HOLDER FOR INFORMATION PURPOSES ONLY Confers No Rights to the Holder	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

© 1988-2009 ACORD CORPORATION. All rights reserved.

**City of Fort Lauderdale, Florida
All Outstanding General Obligation Debt
As of February 1, 2011**



**City of Fort Lauderdale, Florida
Outstanding Aggregate General Obligation Debt Service by Issue**



Fiscal Year Ending

■ GO Series 2002 ■ GO Series 2005

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
All Outstanding General Obligation Debt
Aggregate Debt Service Schedule
As of February 1, 2011**

Period Ending	Principal	Interest	Debt Service
10/01/2011	2,545,000	1,333,306.26	3,878,306.26
10/01/2012	2,630,000	1,249,541.26	3,879,541.26
10/01/2013	2,725,000	1,160,263.76	3,885,263.76
10/01/2014	2,820,000	1,064,170.01	3,884,170.01
10/01/2015	2,930,000	958,281.26	3,888,281.26
10/01/2016	3,055,000	839,981.26	3,894,981.26
10/01/2017	3,185,000	716,128.76	3,901,128.76
10/01/2018	565,000	612,841.26	1,177,841.26
10/01/2019	585,000	590,241.26	1,175,241.26
10/01/2020	610,000	566,841.26	1,176,841.26
10/01/2021	635,000	542,441.26	1,177,441.26
10/01/2022	655,000	517,041.26	1,172,041.26
10/01/2023	685,000	490,841.26	1,175,841.26
10/01/2024	710,000	463,441.26	1,173,441.26
10/01/2025	740,000	434,153.76	1,174,153.76
10/01/2026	770,000	403,628.76	1,173,628.76
10/01/2027	805,000	370,903.76	1,175,903.76
10/01/2028	840,000	336,691.26	1,176,691.26
10/01/2029	875,000	300,991.26	1,175,991.26
10/01/2030	910,000	263,803.76	1,173,803.76
10/01/2031	950,000	225,128.76	1,175,128.76
10/01/2032	995,000	184,753.76	1,179,753.76
10/01/2033	1,035,000	141,968.76	1,176,968.76
10/01/2034	1,080,000	96,687.50	1,176,687.50
10/01/2035	1,130,000	49,437.50	1,179,437.50
	34,465,000	13,913,510.23	48,378,510.23

City of Fort Lauderdale, Florida

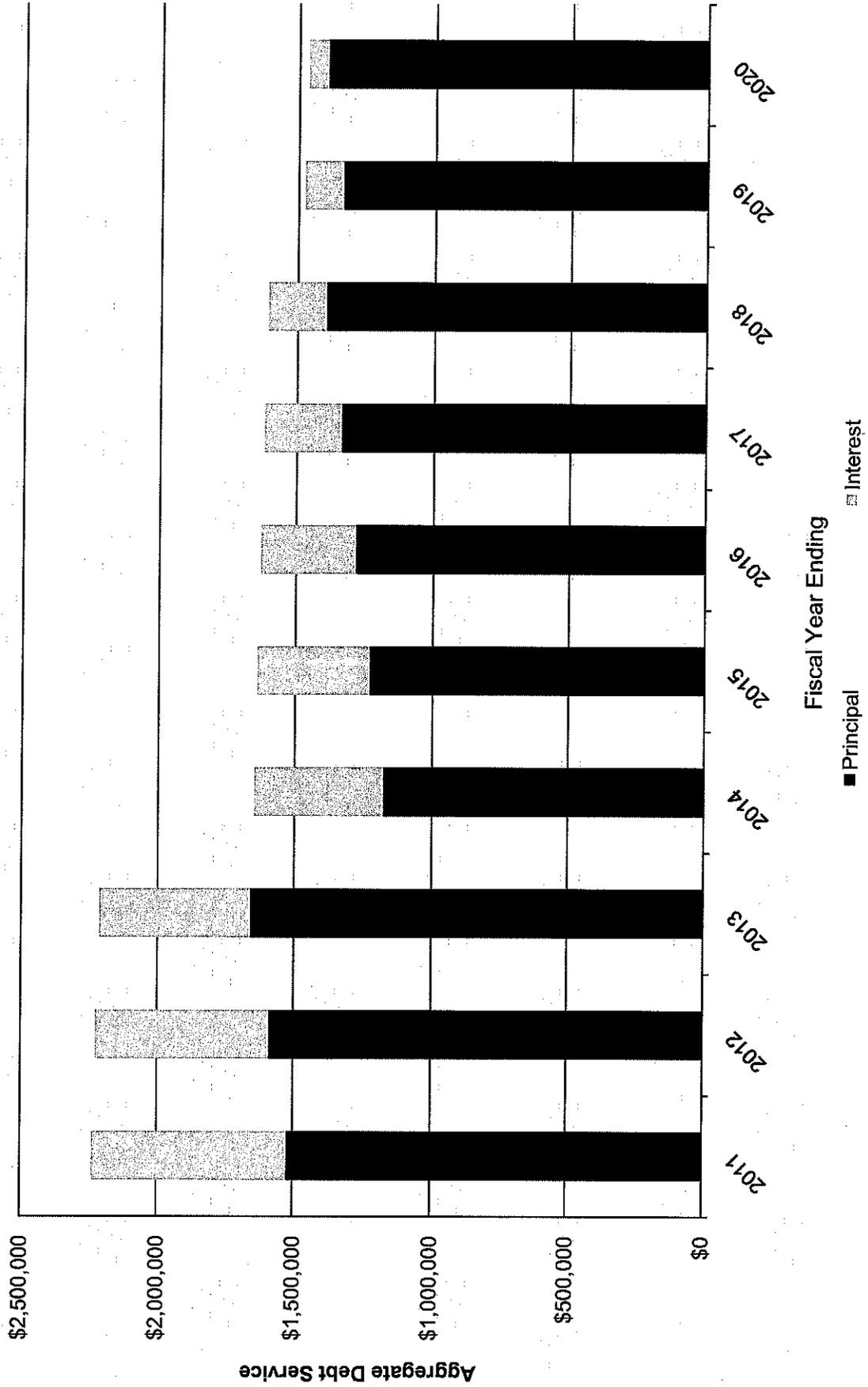
All Outstanding Special Obligation Bonds

As of February 1, 2011

(000's)

Year Ending December 31	\$15,462,881 Special Obligation Refunding Bonds Series 2008A	
	Principal	Coupon
2011	1,523	5.140%
2012	1,590	5.140%
2013	1,659	5.140%
2014	1,176	5.140%
2015	1,228	5.140%
2016	1,281	5.140%
2017	1,337	5.140%
2018	1,395	5.140%
2019	1,336	5.140%
2020	1,394	5.140%
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
TOTALS	13,919	
Next Call	Anytime @ 100% with 10 days Notice	
Dated Date	10/29/2008	
Coupon Dates	March 1	September 1
Maturity Dates	September 1	
Underlying Ratings	N/A	
Insurer	N/A	
Lead Underwriter	N/A	
Paying Agent	N/A	
Purpose	Refunding Bonds Refund Sunshine State Financing Commission loans & Florida Intergovernmental Commission loan.	
	Color Legend	
	Non-Callable	Callable

**City of Fort Lauderdale, Florida
All Outstanding Special Obligation Debt
As of February 1, 2011**



BOND DEBT SERVICE**City of Fort Lauderdale, Florida
All Outstanding Special Obligation Debt
Aggregate Debt Service Schedule
As of February 1, 2011**

Period Ending	Principal	Interest	Debt Service
10/01/2011	1,523,430	715,412.44	2,238,842.44
10/01/2012	1,589,700	637,108.14	2,226,808.14
10/01/2013	1,658,850	555,397.56	2,214,247.56
10/01/2014	1,176,460	470,132.68	1,646,592.68
10/01/2015	1,227,640	409,662.62	1,637,302.62
10/01/2016	1,281,040	346,561.94	1,627,601.94
10/01/2017	1,336,760	280,716.48	1,617,476.48
10/01/2018	1,394,910	212,007.02	1,606,917.02
10/01/2019	1,335,820	140,308.64	1,476,128.64
10/01/2020	1,393,920	71,647.48	1,465,567.48
	13,918,530	3,838,955.00	17,757,485.00

City of Fort Lauderdale, Florida

All Outstanding Water and Sewer Revenue Bonds

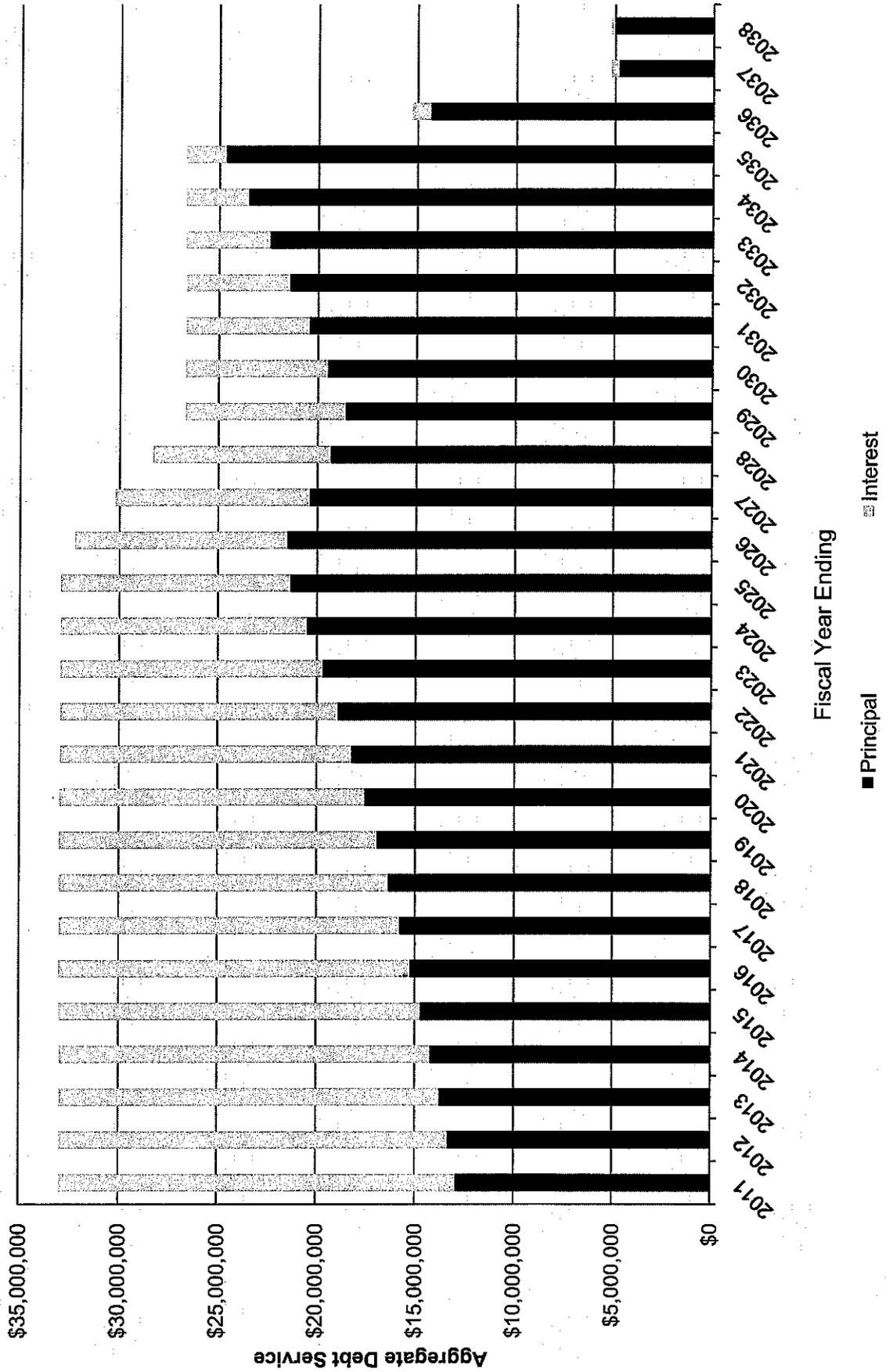
As of February 1, 2011

(000's)

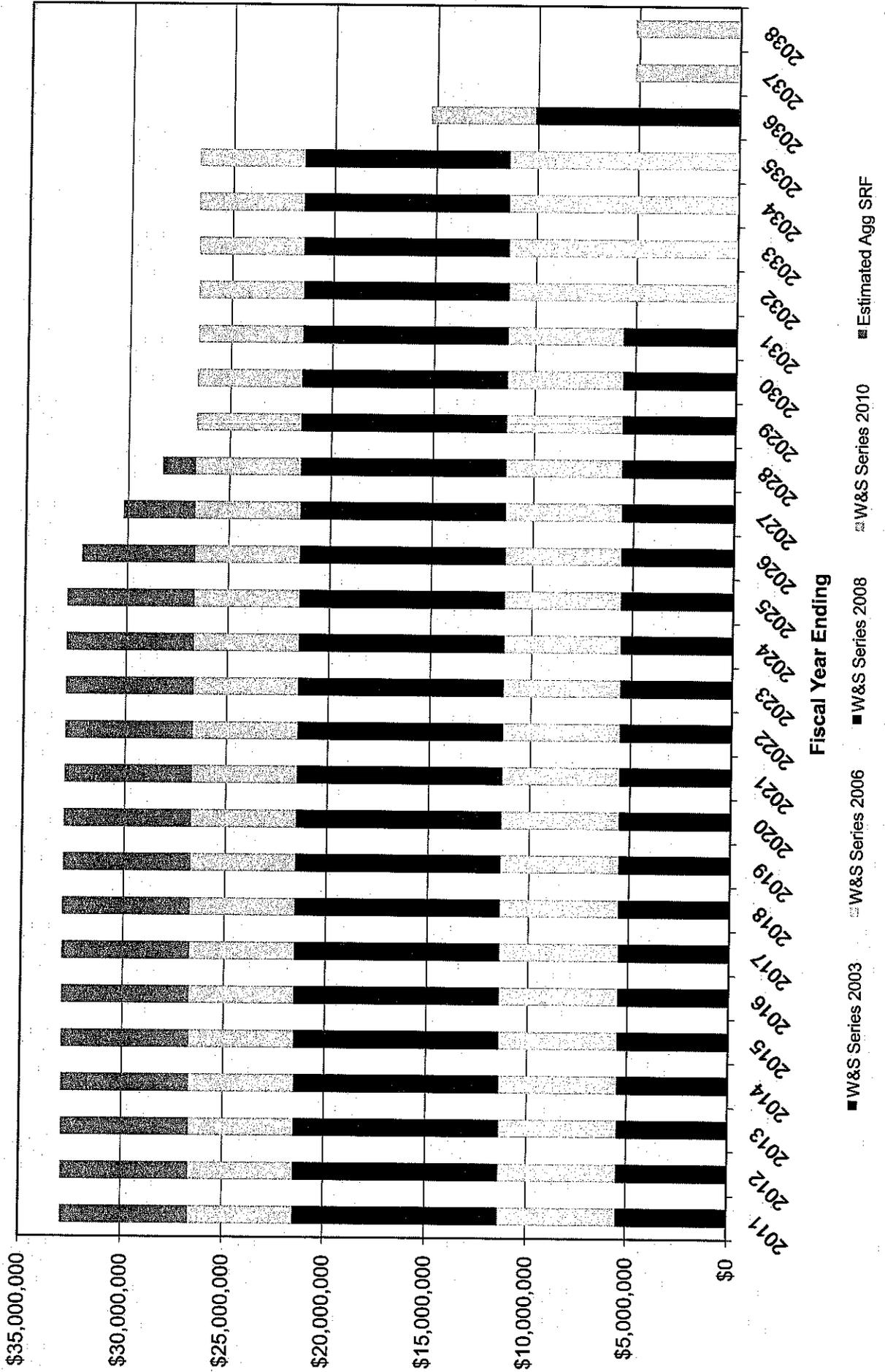
Year Ending December 31	\$82,300,000 Water & Sewer Revenue Bonds Series 2010		\$155,000,000 Water & Sewer Revenue Bonds Series 2008		\$100,000,000 Water & Sewer Revenue Bonds Series 2006		\$90,000,000 Water & Sewer Revenue Bonds Series 2003	
	Principal	Coupon	Principal	Coupon	Principal	Coupon	Principal	Coupon
2011	835 / 850	3.000%	1,605 / 1,630	3.000%	809 / 820	4.000%	1,125 / 1,140	3.500%
2012	860 / 875	3.000%	1,655 / 1,680	3.000%	830 / 850	4.000%	1,165 / 1,185	3.750% / 4.000%
2013	890 / 900	3.000%	1,705 / 1,735	3.500%	870 / 885	4.000%	1,205 / 1,230	4.000% / 4.000%
2014	915 / 930	3.000%	1,765 / 1,795	3.500%	905 / 930	4.000%	1,255 / 1,275	4.000%
2015	945 / 955	3.000%	1,825 / 1,865	4.000%	950 / 975	4.000%	1,310 / 1,325	4.000%
2016	970 / 985	3.000%	1,900 / 1,940	4.000%	1,000 / 1,020	4.000%	1,355 / 1,385	4.000%
2017	1,000 / 1,020	4.00% / 3.50%	1,980 / 2,015	4.000%	1,040 / 1,055	4.125%	1,415 / 1,440	4.000%
2018	1,040 / 1,060	4.000%	2,055 / 2,100	4.000%	1,080 / 1,095	4.250%	1,475 / 1,505	4.100% / 4.125%
2019	1,080 / 1,100	4.000%	2,140 / 2,185	4.125%	1,115 / 1,140	4.375%	1,535 / 1,575	4.200%
2020	1,125 / 1,145	4.000%	2,230 / 2,280	4.50% / 4.25%	1,160 / 1,185	5.000%	1,605 / 1,640	4.300%
2021	1,170 / 1,195	4.000%	2,330 / 2,380	4.500%	1,205 / 1,225	5.000%	1,680 / 1,715	4.375%
2022	1,215 / 1,240	4.000%	2,435 / 2,490	4.625%	1,250 / 1,285	5.000%	1,755 / 1,795	4.500%
2023	1,265 / 1,290	4.000%	2,550 / 2,610	4.750%	1,315 / 1,345	5.000%	1,835 / 1,880	4.500%
2024	1,315 / 1,345	4.000%	2,670 / 2,735	4.875%	1,370 / 1,410	5.000%	1,925 / 1,970	4.500%
2025	1,370 / 1,395	4.000%	2,800 / 2,870	4.875%	1,440 / 1,475	5.000%	2,015 / 2,065	4.500%
2026	1,425 / 1,455	4.000%	2,940 / 3,015	5.000%	1,510 / 1,545	5.000%	2,110 / 2,165	4.625%
2027	1,485 / 1,515	4.000%	3,090 / 3,165	5.000%	1,585 / 1,615	4.125%	2,215 / 2,265	4.625%
2028	1,545 / 1,580	5.000%	3,245 / 3,325	5.000%	1,650 / 1,685	4.250%	2,320 / 2,380	4.625%
2029	1,620 / 1,660	5.000%	3,410 / 3,495	5.000%	1,720 / 1,760	5.000%	2,435 / 2,495	4.625%
2030	1,705 / 1,740	4.250%	3,585 / 3,675	5.000%	1,795 / 1,830	5.000%	2,555 / 2,615	4.625%
2031	1,775 / 1,820	5.000%	3,765 / 3,860	5.000%	1,870 / 1,915	5.000%	2,680 / 2,740	4.625%
2032	1,865 / 1,915	5.000%	3,965 / 4,055	5.000%	4,760 / 4,870	4.250%		
2033	1,960 / 2,005	4.375% / 5.000%	4,155 / 4,260	5.000%	4,975 / 5,090	4.250%		
2034	2,055 / 2,105	5.000%	4,365 / 4,475	5.000%	5,205 / 5,320	4.500%		
2035	2,160 / 2,210	5.000%	4,585 / 4,700	5.000%	5,435 / 5,565	4.500%		
2036	2,265 / 2,325	5.00% / 4.50%	4,820 / 4,935	4.750%				
2037	2,375 / 2,430	4.500%						
2038	2,485 / 2,540	4.500%						
2039								
TOTALS	82,300		150,410		95,510		74,755	
Next Call	9/1/2019 @ Par		9/1/2017 @ Par		9/1/2016 @ Par		3/1/2013 @ Par	
Dated Date	5/26/2010		2/21/2008		9/19/2006		3/1/2003	
Coupon Dates	March 1	September 1	March 1	September 1	March 1	September 1	March 1	September 1
Maturity Dates	March 1	September 1	March 1	September 1	March 1	September 1	March 1	September 1
Underlying Rating	Aa1 (Moody's), AA (S&P)		Aa1 (Moody's), AA (S&P)		Aa1 (Moody's), AA (S&P)		Aa1 (Moody's), AA (S&P)	
Insurer	N/A		N/A		MBIA		MBIA	
Lead Underwriter	Wells Fargo Bank		Wachovia Bank		Merrill Lynch & Co.		UBS PainsWebber Inc.	
Paying Agent	City of Fort Lauderdale		City of Fort Lauderdale		City of Fort Lauderdale		City of Fort Lauderdale	
Purpose	New Money		New Money		New Money		New Money	
Color Legend								
Non-Callable								

Callible

City of Fort Lauderdale, Florida
All Outstanding Water & Sewer Revenue Debt and SRF Loans
As of February 1, 2011



**City of Fort Lauderdale, Florida
Outstanding Aggregate Water & Sewer Revenue and SRF Loans Debt Service by Issue**



BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
 All Outstanding Water & Sewer Revenue Debt & SRF Loans
 Aggregate Debt Service Schedule
 As of February 1, 2011
 (Estimated Amortization)**

Period Ending	Principal	Interest	Debt Service
10/01/2011	12,944,774.31	20,031,240.72	32,976,015.03
10/01/2012	13,346,544.43	19,628,914.37	32,975,458.80
10/01/2013	13,776,090.94	19,200,461.60	32,976,552.54
10/01/2014	14,238,486.58	18,743,240.93	32,981,727.51
10/01/2015	14,733,806.05	18,265,308.98	32,999,115.03
10/01/2016	15,257,125.91	17,756,214.09	33,013,340.00
10/01/2017	15,788,524.88	17,222,465.15	33,010,990.03
10/01/2018	16,358,083.66	16,656,050.15	33,014,133.81
10/01/2019	16,945,885.10	16,055,779.29	33,001,664.39
10/01/2020	17,577,014.25	15,415,948.26	32,992,962.51
10/01/2021	18,241,558.41	14,730,051.60	32,971,610.01
10/01/2022	18,944,607.17	14,006,774.73	32,951,381.90
10/01/2023	19,711,252.45	13,243,970.05	32,955,222.50
10/01/2024	20,506,588.74	12,442,240.03	32,948,828.77
10/01/2025	21,345,712.87	11,600,903.40	32,946,616.27
10/01/2026	21,524,846.52	10,719,973.24	32,244,819.76
10/01/2027	20,384,896.72	9,831,810.67	30,216,707.39
10/01/2028	19,339,949.30	8,956,308.40	28,296,257.70
10/01/2029	18,595,000.00	8,075,153.13	26,670,153.13
10/01/2030	19,500,000.00	7,159,134.38	26,659,134.38
10/01/2031	20,425,000.00	6,211,950.00	26,636,950.00
10/01/2032	21,420,000.00	5,211,600.00	26,631,600.00
10/01/2033	22,445,000.00	4,207,006.25	26,652,006.25
10/01/2034	23,525,000.00	3,147,350.00	26,672,350.00
10/01/2035	24,655,000.00	2,010,425.00	26,665,425.00
10/01/2036	14,345,000.00	952,487.50	15,297,487.50
10/01/2037	4,805,000.00	388,912.50	5,193,912.50
10/01/2038	5,025,000.00	170,212.50	5,195,212.50
	485,705,748.29	312,041,886.92	797,747,635.21

City of Fort Lauderdale, Florida

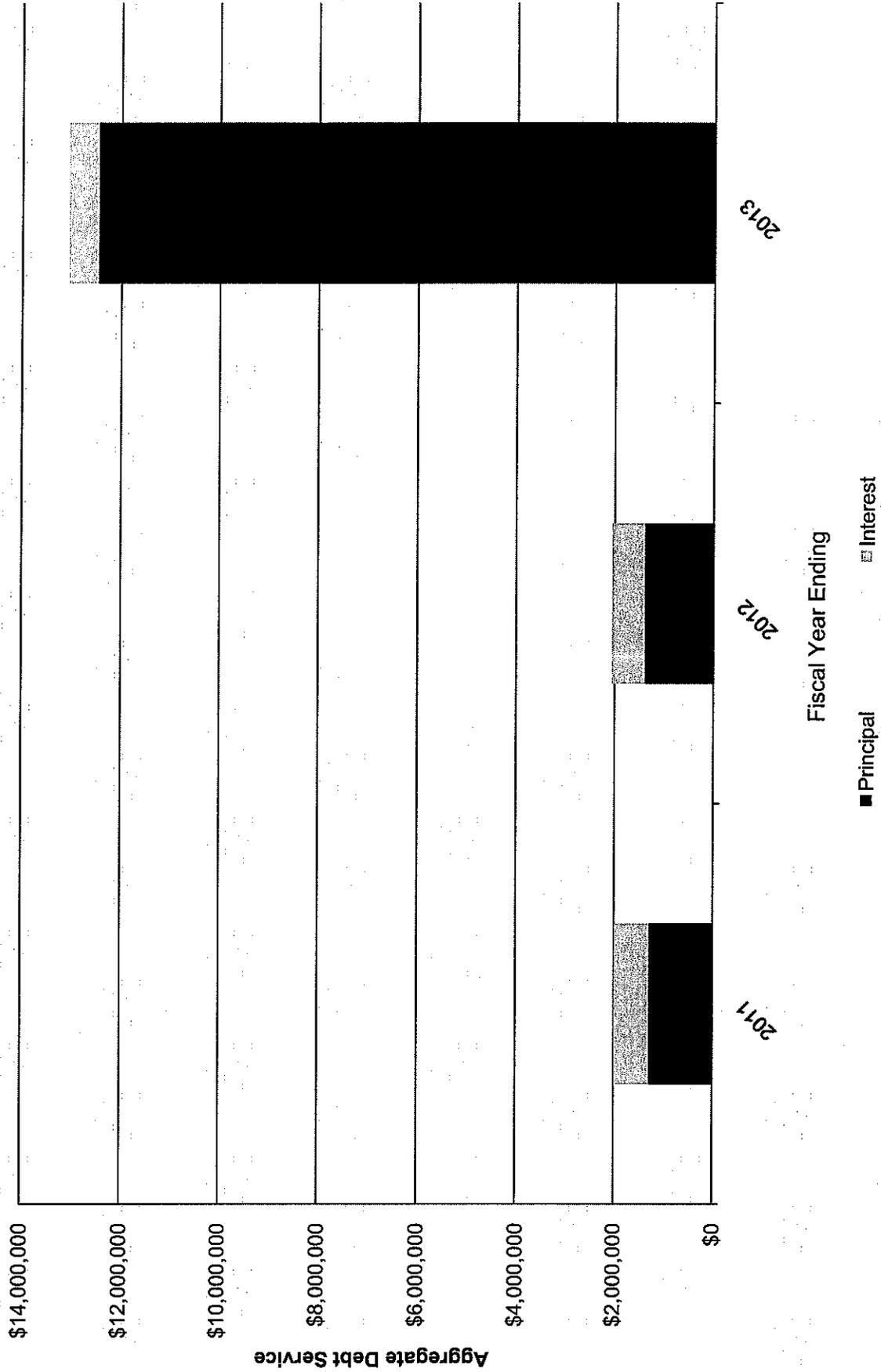
All Outstanding Tax Increment Bonds

As of February 1, 2011

(000's)

Year Ending December 31	Outstanding Tax Increment Revenue Bonds (Estimated Maturity Schedule)	
	Principal	Coupon
2011	1,277	
2012	1,382	
2013	12,461	
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
TOTALS	15,120	
Next Call	Unknown	
Dated Date	Unknown	
Coupon Dates	April 1	October 1
Maturity Dates	April 1	
Underlying Rating	N/A	
Insurer	N/A	
Lead Underwriter	N/A	
Paying Agent	N/A	
Purpose	N/A	
Color Legend		
	Non-Callable	Callable

City of Fort Lauderdale, Florida
All Outstanding Tax Incremental Debt
As of February 1, 2011



BOND DEBT SERVICE
City of Fort Lauderdale, Florida
All Outstanding Tax Increment Revenue Debt
Aggregate Debt Service Schedule
As of February 1, 2011
(Amortization Based on City's FYE 2009 Financial Statements)

Period Ending	Principal	Interest	Debt Service
10/1/2011	1,277,000	726,000.00	2,003,000.00
10/1/2012	1,382,000	667,000.00	2,049,000.00
10/1/2013	12,461,000	604,000.00	13,065,000.00
	15,120,000	1,997,000.00	17,117,000.00

City of Fort Lauderdale, Florida

Tab B: Details of Outstanding General Obligation Debt

As of February 1, 2011

General Obligation Debt

FirstSouthwest 
A PlainsCapital Company

Member FINRA & SIPC | Subsidiary of PlainsCapital | © 2011 FirstSouthwest

BOND DEBT SERVICE

City of Fort Lauderdale, Florida
General Obligation Bonds, Series 2005

Period Ending	Principal	Interest	Debt Service
10/01/2011	445,000	734,821.26	1,179,821.26
10/01/2012	460,000	721,471.26	1,181,471.26
10/01/2013	475,000	707,211.26	1,182,211.26
10/01/2014	490,000	692,011.26	1,182,011.26
10/01/2015	505,000	675,841.26	1,180,841.26
10/01/2016	525,000	655,641.26	1,180,641.26
10/01/2017	545,000	634,641.26	1,179,641.26
10/01/2018	565,000	612,841.26	1,177,841.26
10/01/2019	585,000	590,241.26	1,175,241.26
10/01/2020	610,000	566,841.26	1,176,841.26
10/01/2021	635,000	542,441.26	1,177,441.26
10/01/2022	655,000	517,041.26	1,172,041.26
10/01/2023	685,000	490,841.26	1,175,841.26
10/01/2024	710,000	463,441.26	1,173,441.26
10/01/2025	740,000	434,153.76	1,174,153.76
10/01/2026	770,000	403,628.76	1,173,628.76
10/01/2027	805,000	370,903.76	1,175,903.76
10/01/2028	840,000	336,691.26	1,176,691.26
10/01/2029	875,000	300,991.26	1,175,991.26
10/01/2030	910,000	263,803.76	1,173,803.76
10/01/2031	950,000	225,128.76	1,175,128.76
10/01/2032	995,000	184,753.76	1,179,753.76
10/01/2033	1,035,000	141,968.76	1,176,968.76
10/01/2034	1,080,000	96,687.50	1,176,687.50
10/01/2035	1,130,000	49,437.50	1,179,437.50
	18,020,000	11,413,476.48	29,433,476.48

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
General Obligation Bonds, Series 2002**

Period Ending	Principal	Interest	Debt Service
10/01/2011	2,100,000	598,485.00	2,698,485.00
10/01/2012	2,170,000	528,070.00	2,698,070.00
10/01/2013	2,250,000	453,052.50	2,703,052.50
10/01/2014	2,330,000	372,158.75	2,702,158.75
10/01/2015	2,425,000	282,440.00	2,707,440.00
10/01/2016	2,530,000	184,340.00	2,714,340.00
10/01/2017	2,640,000	81,487.50	2,721,487.50
	16,445,000	2,500,033.75	18,945,033.75

City of Fort Lauderdale, Florida

Tab C: Details of Outstanding Special Obligation Debt

As of February 1, 2011

Special Obligation Debt

BOND DEBT SERVICE

City of Fort Lauderdale, Florida
Special Obligation Refunding Bonds, Series 2008A

Period Ending	Principal	Interest	Debt Service
10/01/2011	1,523,430	715,412.44	2,238,842.44
10/01/2012	1,589,700	637,108.14	2,226,808.14
10/01/2013	1,658,850	555,397.56	2,214,247.56
10/01/2014	1,176,460	470,132.68	1,646,592.68
10/01/2015	1,227,640	409,662.62	1,637,302.62
10/01/2016	1,281,040	346,561.94	1,627,601.94
10/01/2017	1,336,760	280,716.48	1,617,476.48
10/01/2018	1,394,910	212,007.02	1,606,917.02
10/01/2019	1,335,820	140,308.64	1,476,128.64
10/01/2020	1,393,920	71,647.48	1,465,567.48
	13,918,530	3,838,955.00	17,757,485.00

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
Water and Sewer Revenue Bonds, Series 2010**

Period Ending	Principal	Interest	Debt Service
10/01/2011	1,685,000	3,507,812.50	5,192,812.50
10/01/2012	1,735,000	3,456,887.50	5,191,887.50
10/01/2013	1,790,000	3,404,387.50	5,194,387.50
10/01/2014	1,845,000	3,350,312.50	5,195,312.50
10/01/2015	1,900,000	3,294,512.50	5,194,512.50
10/01/2016	1,955,000	3,237,137.50	5,192,137.50
10/01/2017	2,020,000	3,173,037.50	5,193,037.50
10/01/2018	2,100,000	3,096,537.50	5,196,537.50
10/01/2019	2,180,000	3,011,737.50	5,191,737.50
10/01/2020	2,270,000	2,923,637.50	5,193,637.50
10/01/2021	2,365,000	2,831,937.50	5,196,937.50
10/01/2022	2,455,000	2,736,437.50	5,191,437.50
10/01/2023	2,555,000	2,637,237.50	5,192,237.50
10/01/2024	2,660,000	2,534,037.50	5,194,037.50
10/01/2025	2,765,000	2,426,537.50	5,191,537.50
10/01/2026	2,880,000	2,314,837.50	5,194,837.50
10/01/2027	3,000,000	2,198,437.50	5,198,437.50
10/01/2028	3,125,000	2,069,512.50	5,194,512.50
10/01/2029	3,280,000	1,911,387.50	5,191,387.50
10/01/2030	3,445,000	1,751,656.25	5,196,656.25
10/01/2031	3,595,000	1,597,100.00	5,192,100.00
10/01/2032	3,780,000	1,415,100.00	5,195,100.00
10/01/2033	3,965,000	1,229,850.00	5,194,850.00
10/01/2034	4,160,000	1,035,350.00	5,195,350.00
10/01/2035	4,370,000	824,725.00	5,194,725.00
10/01/2036	4,590,000	603,600.00	5,193,600.00
10/01/2037	4,805,000	388,912.50	5,193,912.50
10/01/2038	5,025,000	170,212.50	5,195,212.50
	82,300,000	63,132,868.75	145,432,868.75

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
Water and Sewer Revenue Bonds, Series 2008**

Period Ending	Principal	Interest	Debt Service
10/01/2011	3,235,000	6,864,981.26	10,099,981.26
10/01/2012	3,335,000	6,767,181.26	10,102,181.26
10/01/2013	3,440,000	6,662,118.76	10,102,118.76
10/01/2014	3,560,000	6,540,668.76	10,100,668.76
10/01/2015	3,690,000	6,410,456.26	10,100,456.26
10/01/2016	3,840,000	6,261,356.26	10,101,356.26
10/01/2017	3,995,000	6,106,156.26	10,101,156.26
10/01/2018	4,155,000	5,944,856.26	10,099,856.26
10/01/2019	4,325,000	5,775,618.76	10,100,618.76
10/01/2020	4,510,000	5,591,175.00	10,101,175.00
10/01/2021	4,710,000	5,391,675.00	10,101,675.00
10/01/2022	4,925,000	5,175,840.63	10,100,840.63
10/01/2023	5,160,000	4,943,806.26	10,103,806.26
10/01/2024	5,405,000	4,694,187.51	10,099,187.51
10/01/2025	5,670,000	4,427,525.00	10,097,525.00
10/01/2026	5,955,000	4,145,862.50	10,100,862.50
10/01/2027	6,255,000	3,844,362.50	10,099,362.50
10/01/2028	6,570,000	3,527,737.50	10,097,737.50
10/01/2029	6,905,000	3,195,112.50	10,100,112.50
10/01/2030	7,260,000	2,845,487.50	10,105,487.50
10/01/2031	7,625,000	2,477,987.50	10,102,987.50
10/01/2032	8,010,000	2,091,987.50	10,101,987.50
10/01/2033	8,415,000	1,686,487.50	10,101,487.50
10/01/2034	8,840,000	1,260,487.50	10,100,487.50
10/01/2035	9,285,000	812,987.50	10,097,987.50
10/01/2036	9,755,000	348,887.50	10,103,887.50
	148,830,000	113,794,990.74	262,624,990.74

BOND DEBT SERVICE**City of Fort Lauderdale, Florida
Water and Sewer Revenue Bonds, Series 2006**

Period Ending	Principal	Interest	Debt Service
10/01/2011	1,620,000	4,254,812.50	5,874,812.50
10/01/2012	1,680,000	4,189,412.50	5,869,412.50
10/01/2013	1,755,000	4,121,412.50	5,876,412.50
10/01/2014	1,835,000	4,050,512.50	5,885,512.50
10/01/2015	1,925,000	3,976,212.50	5,901,212.50
10/01/2016	2,020,000	3,898,212.50	5,918,212.50
10/01/2017	2,095,000	3,815,962.50	5,910,962.50
10/01/2018	2,175,000	3,728,043.76	5,903,043.76
10/01/2019	2,255,000	3,634,165.63	5,889,165.63
10/01/2020	2,345,000	3,530,900.00	5,875,900.00
10/01/2021	2,430,000	3,412,525.00	5,842,525.00
10/01/2022	2,535,000	3,289,900.00	5,824,900.00
10/01/2023	2,660,000	3,161,525.00	5,821,525.00
10/01/2024	2,780,000	3,027,150.00	5,807,150.00
10/01/2025	2,915,000	2,886,400.00	5,801,400.00
10/01/2026	3,055,000	2,738,900.00	5,793,900.00
10/01/2027	3,200,000	2,591,209.38	5,791,209.38
10/01/2028	3,335,000	2,456,837.50	5,791,837.50
10/01/2029	3,480,000	2,307,162.50	5,787,162.50
10/01/2030	3,625,000	2,131,287.50	5,756,287.50
10/01/2031	3,785,000	1,948,162.50	5,733,162.50
10/01/2032	9,630,000	1,704,512.50	11,334,512.50
10/01/2033	10,065,000	1,290,668.75	11,355,668.75
10/01/2034	10,525,000	851,512.50	11,376,512.50
10/01/2035	11,000,000	372,712.50	11,372,712.50
	94,725,000	73,370,112.52	168,095,112.52

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
Water and Sewer Revenue Bonds, Series 2003**

Period Ending	Principal	Interest	Debt Service
10/01/2011	2,265,000	3,245,611.26	5,510,611.26
10/01/2012	2,350,000	3,164,180.01	5,514,180.01
10/01/2013	2,435,000	3,070,836.26	5,505,836.26
10/01/2014	2,530,000	2,972,436.26	5,502,436.26
10/01/2015	2,635,000	2,870,136.26	5,505,136.26
10/01/2016	2,740,000	2,763,836.26	5,503,836.26
10/01/2017	2,855,000	2,653,036.26	5,508,036.26
10/01/2018	2,980,000	2,536,898.76	5,516,898.76
10/01/2019	3,110,000	2,412,345.00	5,522,345.00
10/01/2020	3,245,000	2,279,452.50	5,524,452.50
10/01/2021	3,395,000	2,137,675.00	5,532,675.00
10/01/2022	3,550,000	1,986,406.26	5,536,406.26
10/01/2023	3,715,000	1,824,856.26	5,539,856.26
10/01/2024	3,895,000	1,655,656.26	5,550,656.26
10/01/2025	4,080,000	1,478,356.26	5,558,356.26
10/01/2026	4,275,000	1,291,300.01	5,566,300.01
10/01/2027	4,480,000	1,091,153.13	5,571,153.13
10/01/2028	4,700,000	881,525.00	5,581,525.00
10/01/2029	4,930,000	661,490.63	5,591,490.63
10/01/2030	5,170,000	430,703.13	5,600,703.13
10/01/2031	5,420,000	188,700.00	5,608,700.00
	74,755,000	41,596,590.77	116,351,590.77

BOND DEBT SERVICE

City of Fort Lauderdale, Florida
State Revolving Fund Loan, Series 2008 (Redated to 2009)
(Estimated Amortization)

Period Ending	Principal	Interest	Debt Service
10/01/2011	1,672,592.30	961,335.19	2,633,927.49
10/01/2012	1,717,209.64	916,717.86	2,633,927.50
10/01/2013	1,763,017.18	870,910.32	2,633,927.50
10/01/2014	1,810,046.64	823,880.84	2,633,927.48
10/01/2015	1,858,330.66	775,596.83	2,633,927.49
10/01/2016	1,907,902.67	726,024.81	2,633,927.48
10/01/2017	1,958,797.05	675,130.44	2,633,927.49
10/01/2018	2,011,049.07	622,878.43	2,633,927.50
10/01/2019	2,064,694.93	569,232.56	2,633,927.49
10/01/2020	2,119,771.83	514,155.66	2,633,927.49
10/01/2021	2,176,317.93	457,609.56	2,633,927.49
10/01/2022	2,234,372.44	399,555.05	2,633,927.49
10/01/2023	2,293,975.58	339,951.91	2,633,927.49
10/01/2024	2,355,168.67	278,758.82	2,633,927.49
10/01/2025	2,417,994.12	215,933.37	2,633,927.49
10/01/2026	2,482,495.47	151,432.01	2,633,927.48
10/01/2027	2,548,717.44	85,210.06	2,633,927.50
10/01/2028	1,299,742.16	17,221.58	1,316,963.74
	36,692,195.78	9,401,535.30	46,093,731.08

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
State Revolving Fund Loan, Series 2008
(Estimated Amortization)**

Period Ending	Principal	Interest	Debt Service
10/01/2011	427,215.48	200,147.44	627,362.92
10/01/2012	436,838.69	190,524.23	627,362.92
10/01/2013	446,678.67	180,684.25	627,362.92
10/01/2014	456,740.31	170,622.60	627,362.91
10/01/2015	467,028.59	160,334.33	627,362.92
10/01/2016	477,548.61	149,814.30	627,362.91
10/01/2017	488,305.60	139,057.32	627,362.92
10/01/2018	499,304.90	128,058.02	627,362.92
10/01/2019	510,551.97	116,810.95	627,362.92
10/01/2020	522,052.37	105,310.55	627,362.92
10/01/2021	533,811.84	93,551.08	627,362.92
10/01/2022	545,836.18	81,526.74	627,362.92
10/01/2023	558,131.37	69,231.53	627,362.90
10/01/2024	570,703.53	56,659.38	627,362.91
10/01/2025	583,558.88	43,804.03	627,362.91
10/01/2026	596,703.80	30,659.11	627,362.91
10/01/2027	610,144.82	17,218.10	627,362.92
10/01/2028	310,207.14	3,474.32	313,681.46
	9,041,362.75	1,937,488.28	10,978,851.03

BOND DEBT SERVICE

City of Fort Lauderdale, Florida
State Revolving Fund Loan, Series 2005
(Estimated Amortization)

Period Ending	Principal	Interest	Debt Service
10/01/2011	729,654.50	298,588.21	1,028,242.71
10/01/2012	745,721.43	282,521.29	1,028,242.72
10/01/2013	762,142.13	266,100.58	1,028,242.71
10/01/2014	778,924.43	249,318.29	1,028,242.72
10/01/2015	796,076.27	232,166.44	1,028,242.71
10/01/2016	813,605.79	214,636.92	1,028,242.71
10/01/2017	831,521.31	196,721.40	1,028,242.71
10/01/2018	849,831.33	178,411.39	1,028,242.72
10/01/2019	868,544.53	159,698.18	1,028,242.71
10/01/2020	887,669.80	140,572.91	1,028,242.71
10/01/2021	907,216.20	121,026.51	1,028,242.71
10/01/2022	927,193.02	101,049.70	1,028,242.72
10/01/2023	947,609.71	80,633.00	1,028,242.71
10/01/2024	968,475.99	59,766.73	1,028,242.72
10/01/2025	989,801.74	38,440.98	1,028,242.72
10/01/2026	1,011,597.07	16,645.64	1,028,242.71
	13,815,585.25	2,636,298.17	16,451,883.42

BOND DEBT SERVICE

City of Fort Lauderdale, Florida
State Revolving Fund Loan, Series 2005
(Estimated Amortization)

Period Ending	Principal	Interest	Debt Service
10/01/2011	940,444.64	477,310.83	1,417,755.47
10/01/2012	966,103.36	451,652.11	1,417,755.47
10/01/2013	992,462.14	425,293.33	1,417,755.47
10/01/2014	1,019,540.08	398,215.38	1,417,755.46
10/01/2015	1,047,356.81	370,398.66	1,417,755.47
10/01/2016	1,075,932.47	341,822.99	1,417,755.46
10/01/2017	1,105,287.79	312,467.68	1,417,755.47
10/01/2018	1,135,444.02	282,311.45	1,417,755.47
10/01/2019	1,166,423.02	251,332.44	1,417,755.46
10/01/2020	1,198,247.25	219,508.22	1,417,755.47
10/01/2021	1,230,939.75	186,815.72	1,417,755.47
10/01/2022	1,264,524.22	153,231.24	1,417,755.46
10/01/2023	1,299,024.99	118,730.47	1,417,755.46
10/01/2024	1,334,467.07	83,288.39	1,417,755.46
10/01/2025	1,370,876.15	46,879.32	1,417,755.47
10/01/2026	699,400.85	9,476.88	708,877.73
	17,846,474.61	4,128,735.11	21,975,209.72

BOND DEBT SERVICE

**City of Fort Lauderdale, Florida
State Revolving Fund Loan, Series 2003
(Estimated Amortization)**

Period Ending	Principal	Interest	Debt Service
10/01/2011	369,867.39	220,641.53	590,508.92
10/01/2012	380,671.31	209,837.61	590,508.92
10/01/2013	391,790.82	198,718.10	590,508.92
10/01/2014	403,235.12	187,273.80	590,508.92
10/01/2015	415,013.72	175,495.20	590,508.92
10/01/2016	427,136.37	163,372.55	590,508.92
10/01/2017	439,613.13	150,895.79	590,508.92
10/01/2018	452,454.34	138,054.58	590,508.92
10/01/2019	465,670.65	124,838.27	590,508.92
10/01/2020	479,273.00	111,235.92	590,508.92
10/01/2021	493,272.69	97,236.23	590,508.92
10/01/2022	507,681.31	82,827.61	590,508.92
10/01/2023	522,510.80	67,998.12	590,508.92
10/01/2024	537,773.48	52,735.44	590,508.92
10/01/2025	553,481.98	37,026.94	590,508.92
10/01/2026	569,649.33	20,859.59	590,508.92
10/01/2027	291,034.46	4,220.00	295,254.46
	7,700,129.90	2,043,267.28	9,743,397.18

City of Fort Lauderdale, Florida

Tab E: Rating Reports

As of February 1, 2011

Rating Reports

FirstSouthwest 
A PlainsCapital Company

Member FINRA & SIPC | Subsidiary of PlainsCapital | © 2011 FirstSouthwest

MOODY'S

INVESTORS SERVICE

New Issue: MOODY'S ASSIGNS Aa1 RATING TO FORT LAUDERDALE'S (FL) WATER AND SEWER REVENUE BONDS, SERIES 2010

Global Credit Research - 06 May 2010

Aa1 RATING AFFECTS \$406.2 MILLION IN POST-SALE WATER AND SEWER REVENUE BONDS

Fort Lauderdale (City of) FL Wtr. & Swr. Ent.
Water/Sewer
FL

Moody's Rating	
ISSUE	RATING
Water and Sewer Revenue Bonds, Series 2010	Aa1
Sale Amount	\$84,380,000
Expected Sale Date	05/18/10
Rating Description	Water and Sewer Revenue

Opinion

NEW YORK, May 6, 2010 -- Moody's Investors Service has assigned a Aa1 rating to Fort Lauderdale's (FL) sale of \$84.4 million Water and Sewer Revenue Bonds, Series 2010. At the same time Moody's has affirmed the Aa1 rating on \$321.86 million outstanding parity bonds. The bonds are secured by net revenues of the combined water and sewer system. The Aa1 rating is based on the strength of a well-managed system supported by a strong liquidity position and competitive rate structure; a well-managed and aggressive capital program, funded with a significant amount of debt; narrowed but still favorable debt service coverage on an increased level of debt; and good water supply and system treatment capacities. The Aa1 rating also considers the broad-based but weakened economy and official's demonstrated willingness to implement rate increases in a timely fashion.

Approximately \$78.3 million in construction proceeds from the current offering will be used for a number of projects within the 2011 Waterworks Plan and the Master Plan Update Improvements. More specifically, these projects include: wellfield upgrades; improvements at the Fiveash WTP; new water and sewer lines; improvements to the Lohmeyer Regional WWTP; and, repairs and improvements to the existing sewer collection system.

Legal protections include an open-loop flow of funds, fully funded debt service reserve, and 125% additional bonds test and rate covenant (on a net revenue basis).

ADEQUATE INTERMEDIATE TERM SYSTEM WATER SUPPLY AND TREATMENT CAPACITIES; NEED FOR EXPANSION OF WATER SUPPLY DEFERRED

Moody's believes that the system has adequate water supply and water and sewer treatment capacity for the intermediate term, and that the capital program is driven by concerns related to better service delivery, tying in of unsewered areas and higher quality water production. The water system serves approximately 231,000 permanent and seasonal residents. There are two water treatment plants (Fiveash and Peele-Dixie) with a total rated capacity of 82 MGD but effective 72 MGD current capacity (due to hydraulic restrictions at Fiveash) in relation to about 44 MGD and 67 MGD average and peak usage, respectively in fiscal 2009. Water supply is solely from the Biscayne Aquifer and withdrawals are regulated by the South Florida Water Management District (SFWMD) pursuant to a twenty-year water use permit (WUP) that expires September 11, 2028. Under the permit, withdrawal allocations are limited to 52.55 MGD average (58.43 MGD maximum). System demand is projected to reach 62.4 MGD in the 15-year horizon (2025). Declines in consumption and a lower forecast of population growth have deferred construction of a 6 MGD reverse osmosis plant at Peele-Dixie and wells to the Floridan Aquifer, a deeper and more brackish water source, to 2019 to meet projected demands. Officials have recently installed a nanofiltration (membrane) system, along with eight new wells, at the city's Peele Dixie water plant for a higher level of treatment to better meet new regulations and improve water quality to its customers. Salt water monitoring wells have also been constructed as part of the program, as pumping in extreme dry conditions could increase potential for salt water intrusion. Water storage of 28.5 MG is considered to be adequate. Large user, 30-year water agreements (25 for Wilton Manors) are on a take-and-pay basis and all agreements, which represent 13.48% of 2009 total water production (9% for Oakland Park alone), expire prior to the final maturity of the bonds. However, given competitive rates and little alternative means of water procurement, Moody's believes this is not a significant factor. The system is in compliance with anticipated Stage II Disinfectant/Disinfectant By-Products regulations. Unaccounted for water is estimated at about 6.5%.

The sewer system serves about 215,000 people in the central part of the county. About 16.3% of area residents (35,000 people) have septic systems but nearly all (except about 3,000) are programmed to be provided sewer service by 2011. The 55.7 MGD regional wastewater treatment plant, is adequate relative to 37.2 MGD average flow in 2009 and in excess of projected 48 MGD average and 55 MGD peak flows in 2020. Infiltration/inflow is significant at an estimated 47%, improving only to about 42% in the capital program by 2025. There are five large user agreements which all expire in 2021, prior to bond maturity, but again, we believe this is not a significant factor given modest rates and lack of viable collection, treatment and disposal alternatives. Effluent disposal is by deep well injection, and a recent long-term contract entered into with a private company requires biosolid treatment to a AA standard for land application or use as a biofuel. The system is expected to be able to comply with TMDL load requirements, when specified, although the implications of more stringent EPA proposals for nutrient removal are being assessed. The sewer system is in compliance with all state and federal regulations.

As a part of its WUP for the water system, the city is required to implement a water conservation plan that includes ongoing evaluation and implementation of alternatives including wastewater reuse. Previous studies had concluded that reuse in the city was not economically feasible but officials are evaluating other alternatives, the most promising of which is the C-51 Reservoir project. The reservoir is meant to be a regional

project that would store wet season storm water from the C-51 canal for the purpose of recharging the surficial aquifer in Palm Beach and Broward counties, as needed, allowing for additional withdrawal from that aquifer. The city's portion of the high-end estimate of \$451 million (136 MGD) reservoir project is about \$31.4 million (for 9.45 MGD) and has not been included in the current capital program due to feasibility and timing uncertainties.

SUBSTANTIAL AND AGGRESSIVE CAPITAL PROGRAM FOR SYSTEM UPGRADES AND IMPROVEMENTS; STRONG MANAGEMENT A KEY FACTOR

Moody's believes that while the capital program is substantial and aggressive, competitive rates and a moderate debt profile provide officials the capacity to effectively manage the program. Also, the stability of a strong city management team and the hiring of outside consultants for the oversight of this large capital program are credit strengths. New regulations, aging infrastructure and high density development are factors which prompted the Water Master Plan study completed in 2000 and updated in 2008 (WaterWorks 2011). Although the WaterWorks program has a 20-year horizon, nearly all of the program (98%) is expected to be completed by 2011 to coincide with the city's Centennial. A very large percentage of the program is for rehabilitation and upgrades with the remainder for new infrastructure, mainly to tie-in new sewer customers.

The city is working under a long-term (2001 to 2014), \$893 million capital improvement program that includes \$691 million for the WaterWorks 2011 program and \$202 million other CIP projects (including the 2007 Master Plan updates) for both the water and sewer systems. The Master plan update also identified \$312 million in capital expenditures between 2015 and 2026 that are being evaluated for timing and implementation. Water projects are for raw water supply and storage as well as transmission and distribution improvements. The primary sewer project will provide the infrastructure to tie-in existing septic systems and service city residents who are not now sewered. A sizable \$588 million (66%) portion of the program is being funded with debt including \$484 million (54%) in senior debt (mostly issued except for a final net \$78.3 million segment expected in 2012) and another \$104.0 million (12%) in subordinate SRF loans (\$101.6 million already issued). The remaining \$305 million (34%) of the program is expected to be funded with current revenues. The program is primarily supported by rate increases and new sewer tie-in capital and surcharge revenues. The system has no variable rate debt or derivative products.

FAVORABLE FINANCIAL OPERATIONS SUPPORTED BY RATE INCREASES AND SEWER CONNECTION FEES

Moody's expects debt service coverage and debt ratios to remain at adequate levels through the major funding and construction portion of the capital program. Due to the issuance of almost \$340 million in senior lien bonds and \$101 million in subordinate SRF loans between 2006 and 2010, debt ratios remain elevated at 45% (50% on a pro forma basis). The system is expected to generate excess revenues of over \$20 million annually for upgrades, improvements and line replacement. Water and sewer rates increased an average of 4.5% annually from fiscal 2007 to fiscal 2009, excluding a 19% revenue adjustment in August 2009 associated with a drought rate ordinance. Annual 5% rate increases have been programmed for fiscal 2010 to fiscal 2014 with the fiscal 2010 increase already implemented and 2011 increase (only) adopted. At the end of fiscal 2009 the system had \$69.1 million in unrestricted cash and investments, primarily in operating and capital funds, in relation to \$60.2 million audited fiscal 2009 operating expenses (including indirect costs and PILOT payments), that equates to about 419 days-cash. About \$30 million of unrestricted cash is expected to be utilized in the five-year capital program. Projected total system cash in fiscal 2014 of about \$82 million includes \$43 million restricted cash and \$39 million unrestricted cash. Officials have a target of maintaining the equivalent of 75 days of O&M and R&R expenditures, which equates to \$15.3 million in 2010 (\$19.2 million in 2014). The future annual 5% programmed rate increases are designed to sustain the capital program, address increased operating expenses and provide for increasing debt service. The system also has surcharges that are utilized during periods of drought. Monthly average residential water and sewer bills of \$59.00 (7,000 gal. per mo.) are competitive in relation to the regional average of \$56.69, and provide flexibility in financing the capital program. The system makes annual payments in lieu of taxes (PILOT) to the city which have been about \$4.3 million.

Debt service is estimated to go to \$39.4 million on outstanding and currently-issued bonds and loans in 2013 from \$6.3 million in fiscal 2006. Assumptions show that, through rate increases and sewer tie-ins, the system will increase net revenues sufficient to cover debt service on all obligations. Financial operations, which assume annual senior lien debt issuance and available revenues as defined in the resolution, reflect a range in annual debt service coverage from a low of 1.89 times for senior lien bonds (1.41 times on all debt) in 2009 to a 2014 high of 2.19 times for senior bonds (1.81 times for all debt). To accomplish this, net revenues available for debt service are projected to increase 80.7% during the period to \$71.4 million. Net fixed assets have nearly doubled in the five-year period through fiscal 2009 to \$780.2 million. The operating ratio, which was 55.6% in fiscal 2009, is expected to moderate slightly throughout the forecast period.

REGIONALLY IMPORTANT SERVICE-BASED ECONOMY

Moody's believes that aside from the prolonged housing market correction, the economy remains stable. The city serves as the center for business, trade, culture, and education within Broward County (G.O. rated Aaa), that includes a census estimated 2009 total population of 1.76 million. The city's current \$27.7 billion tax base is down 11.4% over the last two years through fiscal 2010 after increasing 72% over the five prior years to a high of \$31.3 billion in fiscal 2008. A further tax base decline of about 15% is anticipated for fiscal 2011. The well-balanced tax base is about two-thirds residential and one-third commercial/ industrial. The city's tax increment districts have been a catalyst for city redevelopment. The maritime industry (yachting) and tourism, which is geared more towards a high-end product, represent major economic components. The county's airport and seaport are contributing economic engines for the area. Wealth levels of city residents are above those for the state although the city's levels have not kept pace with the state in the past three censuses. The city's unemployment rate of 9.7% in February 2010, is well below the state (12.2%) and nation (10.4%) and reflects job losses primarily in the construction, financial activities and trade, transportation and utilities sectors. Like most of the state, the metro region is in the midst of a prolonged housing market correction, with the condominium market especially hard hit. According to Moody's Economy.com (March 2010), Fort Lauderdale's recovery will be slower, delayed and less robust than that of the nation. A weak housing market remains the primary impediment, although risks are weighted to the upside. Decennial census hiring will lift payrolls over the next few months. The metro area's long-term outlook remains bright thanks to its proximity to Miami, robust tourism, and growing prominence as a center for international trade.

KEY STATISTICS

Security: Net revenues of the combined water and sewer system.

Post Sale Bonds Outstanding: \$406.2 million

Expected Parity Additional Borrowing: \$78.4 million (net proceeds in 2012)

Bond Payout,

10 years: 23.8%

20 years: 61.5%

29 years: 100.0%

Service Area Population (2010 estimate),

Water: 231,000

Sewer: 215,000

Plant Capacities/ Average 2009 Usage,

Water: 82.0 MGD/ 44.0 MGD

Sewer: 55.7 MGD/ 37.2 MGD

FY 2009 Operations,

Operating Ratio: 55.6%

Debt Ratio: 45.2% (49.7% pro forma)

Debt Service Coverage: 1.84 times (Sr.)/ 1.41 times (all debt)

Estimated Maximum Debt Service Coverage by FY 2009 revenues: 1.48 times (Sr.)/ 1.18 times (all debt)

1999 Median Family Income as % State/ % U.S.: 101.2%/ 92.3%

1999 Per Capita Income as % State/ % U.S.: 129.0%/ 128.8%

Unemployment Rate, February 2010: 9.7% (12.2% State, 10.4% U.S.)

RECALIBRATION OF RATING TO THE GLOBAL RATING SCALE; PRINCIPAL METHODOLOGY

The rating assigned to Fort Lauderdale's (FL) Water and Sewer Revenue Bonds was issued on Moody's global rating scale. Market participants should not view the recalibration of municipal ratings as rating upgrades, but rather as a recalibration of the ratings to a different rating scale. This recalibration does not reflect an improvement in credit quality or a change in our credit opinion for rated municipal debt issuers. For further details regarding the recalibration of Moody's U.S. municipal ratings to its global scale please visit www.moody.com/gsr.

RATING METHODOLOGY AND LAST RATING ACTION

The principal methodology used in rating Fort Lauderdale's Water and Sewer Revenue Bonds was "Analytical Framework for Water and Sewer System Ratings," which can be found at www.moody.com in the Rating Methodologies sub-directory under the Research & Ratings tab. Other methodologies and factors that may have been considered in the process of rating this issuer can also be found in the Rating Methodologies sub-directory on Moody's website.

The last rating action was on February 4, 2008 when the system's rating was affirmed in conjunction with a sale.

Analysts

John Incorvaia
Analyst
Public Finance Group
Moody's Investors Service

Alexandra J. Cimmiyotti
Backup Analyst
Public Finance Group
Moody's Investors Service

Geordie Thompson
Senior Credit Officer
Public Finance Group
Moody's Investors Service

Contacts

Journalists: (212) 553-0376
Research Clients: (212) 553-1653

MOODY'S
INVESTORS SERVICE

CREDIT RATINGS ARE MOODY'S INVESTORS SERVICE, INC.'S ("MIS") CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MIS DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS DO NOT CONSTITUTE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS ARE NOT RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. CREDIT RATINGS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MIS ISSUES ITS CREDIT RATINGS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The ratings, financial reporting analysis, projections, and other observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. Each user of the information contained herein must make its own study and evaluation of each security it may consider purchasing, holding or selling. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

MIS, a wholly-owned credit rating agency subsidiary of MOODY'S Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MIS have, prior to assignment of any rating, agreed to pay to MIS for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Shareholder Relations - Corporate Governance - Director and Shareholder Affiliation Policy."

Any publication into Australia of this Document is by MOODY'S affiliate MOODY'S Investors Service Pty Limited ABN 61 003 399 657, which holds Australian Financial Services License no. 336969. This document is intended to be provided only to wholesale clients (within the meaning of section 761G of the Corporations Act 2001). By continuing to access this Document from within Australia, you represent to MOODY'S and its affiliates that you are, or are accessing the Document as a representative of, a wholesale client and that neither you nor the entity you represent will directly or indirectly disseminate this Document or its contents to retail clients (within the meaning of section 761G of the Corporations Act 2001).

Global Credit Portal

RatingsDirect®

August 29, 2006

Summary:

Fort Lauderdale, Florida; General Obligation; Miscellaneous Tax

Primary Credit Analyst:

John Sugden-Castillo, New York (1) 212-438-1678; john_sugden@standardandpoors.com

Secondary Credit Analyst:

Karl Jacob, New York (1) 212-438-2111; karl_jacob@standardandpoors.com

Table Of Contents

Rationale

Outlook

Financial Management Assessment: 'Good'

Summary:

Fort Lauderdale, Florida; General Obligation; Miscellaneous Tax

Credit Profile

AFFIRMED

\$74.610 mil. Fort Lauderdale	AA
\$12.175 mil. Fort Lauderdale GO (FGIC)	AAA/AA(SPUR)
\$20.000 mil. Fort Lauderdale GO (MBIA)	AAA/AA(SPUR)
\$29.575 mil. Fort Lauderdale go rfdg bnds ser 2002	AA

OUTLOOK:

STABLE

Rationale

Standard & Poor's Ratings Services affirmed its 'AA' standard long-term rating and Standard & Poor's underlying rating (SPUR), with a stable outlook, on Fort Lauderdale, Fla.'s GO debt.

The ratings reflect the city's:

- Expanding local economic base, which is anchored by a well-positioned marine and tourism industry and growing population;
- Sizable and rapidly appreciating property tax base;
- Healthy fund balance reserves; and
- Low debt levels and a sizable, but manageable, capital improvement plan.

Fort Lauderdale's financial position continues to improve. The city posted a \$23 million operating surplus at fiscal year-end 2005. The operating surplus surpassed management's earlier projections of a \$9.2 million surplus. The city also made progress in funding its self-insurance fund and was able to build a small \$235,000 reserve in fiscal 2005, a year earlier than initially projected. The city's unreserved fund balance increased to \$33.0 million, or 15.9% of expenditures, from \$12.1 million, or 5.9%, in 2004. This is the city's second operating surplus and comes after it had drawn down reserves in fiscals 2002 and 2003. Management accomplished the operating surplus through conservative revenue budgeting and close monitoring of expenditures and hiring freezes. Total fiscal 2005 revenues came in roughly \$11 million above budget while expenditures were \$11 million below budgeted amounts.

The fiscal 2006 budget totals roughly \$251 million, excluding fund balance, or a 2.4% increase over the fiscal 2005 budget. Thanks to strong property tax base growth of 13%, management was able to reduce its millage rate by 6% to 5.4 mills while still budgeting an 11% increase in property tax revenues. The budget includes a \$1 million contingency, which management intends to use to bolster fund balance reserves and continue to build the self-insurance fund reserve. Hurricane Wilma struck Fort Lauderdale on Oct. 24. Management estimates Wilma's effect on the city's finances at between \$8 million and \$10 million. Even after taking into account these costs, the city expects to maintain or improve its current reserves.

Fort Lauderdale's financial practices are considered good under Standard & Poor's financial management

assessment (FMA). A score of good indicates practices are deemed currently good but not comprehensive.

Fort Lauderdale, with an estimated population of 175,270, is in Broward County ('AA+' GO debt rating), along the state's southeastern coast, about 23 miles north of Miami, Fla. Fort Lauderdale, which is among Florida's leading cities, is Broward County's economic center and largest city.

The city's property tax base has continued to grow rapidly with double-digit annual growth over the past six years. The city's property tax base has increased by 19% to \$33 billion in fiscal 2006, or a strong \$188,000 per capita. Property tax base growth has exceeded 13% annually since fiscal 2002. Comparatively, assessed value (AV) increased by 17% in fiscal 2006, bringing the city's total AV to \$23.8 billion. Preliminary fiscal 2007 AV estimates point to a 13% increase to \$26.8 billion.

Wealth and income levels are above average: Per capita effective buying income indicators are about 30% higher than state, regional, and national averages. City unemployment, which had historically been above average, declined to a low 3.6% in 2005.

The city's debt levels are low at less than 1% of market value and roughly \$700 per capita.

Outlook

The stable outlook reflects management's continued progress in building the city's fund balance reserves and eliminating its self-insurance fund deficit over the past two years, following two years of fund balance declines and operating deficits. While the past two years represent an emerging trend of financial stability, a more-established trend of the continued adoption of structurally sound budgets and the maintenance of healthy general and insurance fund reserves is required before we can contemplate an additional rating action.

Financial Management Assessment: 'Good'

Fort Lauderdale's financial practices are considered good under Standard & Poor's FMA. A score of good indicates practices are deemed currently good but not comprehensive. Highlights of the city's practices include the city's:

- Revenue and expenditure assumptions that are based on historical performance;
- Close monitoring of revenues and expenditures with monthly updates presented to the city commission and posted on the city's website;
- Rolling five-year capital improvement plan that identifies funding sources and uses;
- Debt management policy that established debt limits for direct and overlapping debt as a percent of market value, direct debt per capita, and a maximum debt service carrying charge; and
- Recently adopted reserve policy that establishes target reserves at 10%-15% of budgeted expenditures and a minimum unreserved, undesignated balance at 7% of expenditures.

Complete ratings information is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com; under Credit Ratings in the left navigation bar, select Find a Rating, then Credit Ratings Search.

Copyright (c) 2010 by Standard & Poor's Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

The McGraw-Hill Companies

May 19, 2010

Summary:

Fort Lauderdale, Florida; Water/Sewer

Primary Credit Analyst:

John Sugden-Castillo, New York (1) 212-438-1678; john_sugden@standardandpoors.com

Secondary Credit Analyst:

Karl Jacob, New York (1) 212-438-2111; karl_jacob@standardandpoors.com

Table Of Contents

Rationale

Outlook

Related Criteria And Research

Summary:

Fort Lauderdale, Florida; Water/Sewer

Credit Profile

US\$84.38 mil wtr & swr rev bnds ser 2010 due 03/01/2038 & 09/01/2038

Long Term Rating

AA/Stable

New

Fort Lauderdale wtr & swr

Unenhanced Rating

AA(SPUR)/Stable

Affirmed

Rationale

Standard & Poor's Ratings System assigned its 'AA' rating to Fort Lauderdale, Fla.'s water and sewer system bonds, series 2010. At the same time, Standard & Poor's affirmed its 'AA' rating on the city's water and sewer revenue bonds.

The 'AA' rating reflects our assessment of:

- Debt service coverage, that while lower than in previous years, continues to be strong, in our opinion;
- A regional service area that is made up of primarily residential customers within the city and includes long-term wholesale customers outside city limits;
- Adequate capacity to meet current needs with additional system capacity improvements being developed for future customer needs; and
- The city commission's demonstrated willingness to adjust its rates to preserve the financial integrity of the system.

In our view, the system's sizable capital improvement plan (CIP) and challenges related to identifying and investing in additional raw water sources are weaknesses in our view, and constrain the rating.

We consider that Fort Lauderdale system's finances continue to be sound, as evidenced by strong debt service coverage and good liquidity. Debt service coverage in fiscal 2009 was 1.84x, which although down from 3.16x in 2007 and 2.3x in 2008, remains strong, in our opinion. The decline reflects the phasing-in of debt service payments on the series 2008 bonds. Operating revenues increased by 11.5% to \$94.6 million, compared with a 4.9% increase in operating expenditures to \$60.2 million, excluding depreciation. Net revenues available in 2009, after adjustments to revenues and expenditures, were approximately \$39 million and provided more than 1.8x debt service coverage. Coverage during the past four years has been in excess of 1.5x. The city recently adopted changes to its rate structure that included a 19% increase in rates, a 5% increase effective Aug. 1, 2009, a 66% increase to impact fees, and a new service availability charge to capture revenue from accounts that are inactive during portions of the year. Management projects rates to increase by 5% annually over the five-year projection period. Based on these increases and including the additional debt, management projects coverage to increase to over 2x. Liquidity is very strong, in our view, with 419 days' unrestricted cash on hand at the end of fiscal 2009. Liquidity has exceeded 400 days of operations for the past seven years. Recent increases in receivables reflect higher rates. We understand that management plans to use a portion of its unrestricted cash for pay-as-you-go funding of capital projects, but expects to maintain at least 75 days of cash on hand.

The system's broad service area provides it with stability. In addition to serving a stable, primarily residential customer base within the city limits, the system also maintains long-term wholesale contracts with unincorporated areas of Broward County ('AA+') and the Town of Davie ('A+') and the cities of Oakland Park, Tamarac, and Wilton Manors as well as Port Everglades. As of fiscal year-end 2009, the system served 57,843 water and 41,702 sewer accounts. When inactive customers or seasonal customers are included, customer accounts increase to 64,192 and 45,885 for water and sewer, respectively. Management projects approximately 1% growth in water accounts and 4% growth in sewer accounts tied directly to the system's expansion to areas that are currently on septic. Connection to the city's system within one year of service availability is mandatory. The system's wholesale contracts extend 20 years, with the earliest one expiring in 2017, and contracts typically are renewed for additional 20-year periods.

A history of rate increases has provided management with financial flexibility. Rates in the city are low compared with those of neighboring systems at \$57.96 for 7,500 gallons of combined monthly usage. During the past four years, Fort Lauderdale raised rates 4.4% on average and anticipates increases of 5.0% annually over the next five years. The rises take into account inflationary pressures as well as additional debt. Although rates are not automatically indexed to inflation, management has made adjustments almost annually, since the 1990s, to ensure the system's continued financial integrity.

Like most systems in Florida, Fort Lauderdale faces issues in identifying and investing in additional raw water sources. The system's 20-year water consumptive use permit was issued on Sept. 11, 2008. The city embarked on WaterWorks 2011, its 10-year (2002-2011) CIP to modernize the city's system by 2011, Fort Lauderdale's 100th anniversary. Although the system continues to make progress on its plan, its updated CIP totals \$862 million and extends through 2014. The CIP is sizable relative to the system's size. In our view, the system's net leverage is moderate at 53%. We understand that the city plans to issue approximately \$80 million in senior lien debt in fiscal 2012 and that it currently does not have additional debt planned after this.

Outlook

The stable outlook reflects the system's historically strong coverage coupled with the city commission's demonstrated willingness to maintain the system's financial integrity through rate increases. We expect that management's willingness to raise rates will be increasingly important as the city addresses the effect of the current drought restrictions and the housing market outfall. A stable residential base together with long-term wholesale contracts also contribute to the system's stability.

Related Criteria And Research

USPF Criteria: Key Water And Sewer Utility Credit Ratio Ranges, Sept.15, 2008

Ratings Detail (As Of May 19, 2010)

Fort Lauderdale wtr & swr

Long Term Rating

AA/Stable

Affirmed

Many issues are enhanced by bond insurance.

Complete ratings information is available to RatingsDirect on the Global Credit Portal subscribers at

Copyright (c) 2010 by Standard & Poor's Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

The McGraw-Hill Companies