



Legislation Details (With Text)

**File #:** 2020-0732    **Version:** 0    **Name:** Municipal Financial Advisory Services Request for Proposals  
**Type:** MOTION    **Status:** PASSED  
**File created:** 10/23/2020    **In control:** Board of Trustees  
**On agenda:** 11/2/2020    **Final action:** 11/2/2020  
**Title:** Municipal Financial Advisory Services Request for Proposals

**Code sections:**

**Attachments:** 1. Proposal, 2. RFP 20-032 Tabulation, 3. Speer Financial - Municipal Advisor Proposal, 4. Raymond James Proposal, 5. Contract - Signed, 6. PMA - Third Amendment to Municipal Advisory Agreement, 7. PMA Securities - Municipal Financial Advisory Services - 4th Amend.

Date	Ver.	Action By	Action	Result
11/2/2020	0	Board of Trustees		
10/23/2020	0	Finance	INTRODUCED TO BOARD	

Title  
Municipal Financial Advisory Services Request for Proposals

History  
Speer Financial has been the Village’s Municipal Financial Advisor (for issuing debt) since 1997, when they were selected through an RFP process. That relationship has been renewed at various times since then, most recently in 2014.

The Village recently issued an RFP for Municipal Financial Advisory Services. The RFP was published nationwide via Bidnet, reaching 106 firms. We also notified seven firms that are predominant in the Illinois market. 21 firms downloaded the RFP, and we received three proposals from very qualified firms.

Staff is recommending that the Village selects PMA Securities, LLC, of Naperville, Illinois, to be the Village’s new Municipal Financial Advisor. PMA has a well-qualified and deep bench and will be able to advise us on issuing new debt, refunding existing debt, and developing a long term financing plan.

PMA Securities, LLC, is affiliated but is a separate company than PMA Financial Network. A portion of the Village’s investment portfolio is managed by PMA Financial Network, who purchases primarily CDs and government agency securities.

The term of the contract will be three years, with the option to renew for an additional three years. While PMA noted an exception to the insurance requirement in the contract, we contacted LT Contractual Risk Solutions (our risk management advisor), who opined that the insurance offered by PMA Securities, LLC, is sufficient for this engagement.

**Financial Impact**

Fees incurred as a result of any debt issuance will be paid at the time of issuance according to the Fee Proposal of the attached Agreement, in an amount not to exceed \$50,000 per issuance. Representative fees are as follows:

<b><u>Amount of borrowing</u></b>	<b><u>Fee</u></b>
\$5,000,000	\$14,000
\$10,000,000	\$19,000

\$20,000,000

\$30,000

**Recommended Action/Motion**

I move to accept the proposal from PMA Securities, LLC, of Naperville, Illinois, and to authorize the Village Manager to authorize the necessary contracts and documents.