



# City of League City, TX

300 West Walker  
League City TX 77573

## Text File

File Number: 17-0428

**Agenda Date:** 7/11/2017

**Version:** 1

**Status:** Agenda Ready

**In Control:** Finance

**File Type:** Agenda Item

### Title

Consider and take action on a resolution authorizing a two-year agreement with FirstSouthwest, a Division of Hilltop Securities Inc. for financial advisory services and an agreement with FSC Continuing Disclosure Services, a Division of Hilltop Services Inc. for continuing disclosure services (Assistant City Manager/Director of Finance)

### ..Background:

Approval of this item will authorize the City Manager to execute an agreement with FirstSouthwest Company to provide financial advisory and an agreement with FSC Continuing Disclosure Services for continuing disclosure services. Public entities engage financial advisors to assist in the planning, issuance and monitoring of debt. Financial advisors work with the City staff to minimize the cost of debt through the proper timing and structure of bond sales. The firm will also work with staff to maximize the City's opportunity for credit rating improvement, further reducing the cost of debt. By monitoring outstanding debt relative to market conditions on an ongoing basis, the financial advisor will look for opportunities to refund (refinance) that debt at lower interest rates to further reduce costs. An ever increasing role of the financial advisor is to assist staff in monitoring federal compliance and reporting issues related to municipal debt.

In 2014, the City released a request for proposal (RFP) for financial advisory services and received nine responses. On August 12, 2014, the City Council approved a three-year contract with FirstSouthwest. The proposal included an option for a two-year renewal. This action will exercise that option.

The fee for financial advisory services is based on the scale included in the contract and determined by the par value of the bonds issued. In addition, the firm will prepare annual SEC disclosure documents as required by federal law. These additional services will be \$7,000 per year.

### Attachments:

1. Data Sheet
2. Proposed Resolution
3. Exhibit A - Financial Advisory Contract
4. Exhibit B - Disclosure Services Contract

CONTRACT ORIGINATION: FirstSouthwest and FSC with review and approval by the City Attorney

### FUNDING

{ } NOT APPLICABLE

{x } Funds are available from Account #1400000-53050 for Accounting Professional Services