City of Stuart

300 S. W. St. Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

MEMORANDUM

To: Paul Nicoletti, City Manager

Through: Dottie Zaharako, Director, Financial Services

From: Terry Iverson, Procurement Manager

Date: March 25, 2013

Subject: Award RFP #2013-127, Investment Management Services

Attached are: a) the proposal from Public Trust Advisors, Orlando, Florida, the most qualified firm to submit on RFP #2013-127 as determined by the Selection Committee for this project; b) tabulation sheet reflecting those who proposed and responsiveness of proposers and; c) the selection committee evaluation/tabulation sheet. In accordance with the City of Stuart Code of Ordinances, you have authority to award solicitations that were appropriated in the annual budget process and no contractual obligation is incurred by the City other than the expenditure of appropriated funds.

The subject project was legally advertised in the Stuart News on January 31, 2013. Simultaneously, DemandStar by Onvia, our on-line bid disseminator, notified 418 prospective proposers and issued the 41 RFP packages. The Stuart Purchasing Office sent notification of the City's Request for Proposals to nineteen (19) vendors who had expressed interest in providing this service to the City of Stuart. Eight (8) proposals were received by 2:30 pm on Wednesday, February 27, 2013, the RFP opening date. Six (6) proposals were responsive to our solicitation, two (2) were declared non-responsive and disqualified.

The selection Committee was comprised of four evaluators: Dorothy Zaharako, Financial Services Director; Michael Ventura, Deputy City Manager, Jupiter Island; Louis Boglioli, Assistant Financial Services Director; and Karin Ashmore, Senior Accountant. The selection committee met for the first time on March 7, 2013, rated and ranked the six responsive proposals. The selection committee decided to interview three firms on March 13, to come to a final ranking and recommendation for award. After detailed interviews and evaluation, the selection committee recommends award of RFP #2013-127 to the most qualified proposer, Public Trust Advisors for the annual fee of six basis points (0.06%).

Please review the attached documentation and signify by signature below your determination of award, request for further information or recommended rejection of all proposals. Should you have any questions or if I might be of further assistance please call me at ext. 5320 or contact me by email at tiverson@ci.stuart.fl.us.

☒ Award RFP #2013-127, to the most qualified, responsible and responsive proposer, Public Trust Advisors

☐ Further information is required

☐ Recommend all proposals be rejected

Paul Nicoletti, City Manager

3-26-13
Date

INVESTMENT ADVISORY AGREEMENT

THIS AGREEMENT, entered into as of the 28 day of ~~April~~ March in the year of 2013, by and between the City of Stuart, a Municipal public agency, 121 SW Flagler Avenue, Stuart, Florida 34994 (hereinafter the "**City**"), and Public Trust Advisors, LLC, (Public Trust) a Colorado limited liability company (hereinafter the "**Investment Manager**").

W I T N E S S E T H

WHEREAS, the City has funds available for investment purposes (the "Initial Funds") for which it intends to conduct an investment program; and

WHEREAS, the City solicited proposals for Investment Management Services and Investment Manager was determined to be the most qualified proposer; and

WHEREAS, the City desires to avail itself of the experience, sources of information, advice, assistance and facilities available to the Investment Manager; to have the Investment Manager undertake certain duties and responsibilities; and to perform certain services as Investment Manager on behalf of the City with regards to the Initial Funds placed in certain custodial accounts (the "Accounts") held by the Designated Custodians (defined below), as provided herein; and

WHEREAS, the Investment Manager is willing to provide such services on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto, intending to be legally bound, agreed as follows:

1. **Investment Manager Services.**

(a) Subject to the Investment Policy Statement (as defined below), the Investment Manager, commencing on the Effective Date, will provide investment research and supervision of the City's Initial Funds investments held in the Accounts and such other funds deposited by the City, therein (the "Managed Funds") and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Managed Funds. The Investment Manager shall continuously monitor investment opportunities and evaluate investments of the Managed Funds. The Investment Manager shall furnish the City with statistical information and reports with respect to investments of the Managed Funds. The Investment Manager shall place all orders for the purchase, sale, loan or exchange of portfolio securities for the City's account with brokers or dealers recommended by the Investment Manager and/or the City, and to that end the Investment Manager is authorized as agent of the City to give instructions to the Designated Custodian (defined below) as to deliveries of securities and payments of cash for the account of the City. In connection with the selection of such brokers and dealers and the placing of such orders, the Investment Manager is directed to seek for the City the most favorable execution and price, the determination of which may take into account, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to the Investment Manager by such brokers and dealers. The Designated Custodian

(defined below) shall have exclusive custody of cash, assets and securities of the City. The Investment Manager shall not take possession of or act as custodian for the cash, securities or other assets in the Managed Funds and shall have no responsibility in connection therewith. Authorized investments shall include only those investments which are currently authorized by the state investment statutes, the City's Investment Policy attached hereto as Exhibit C and the bond covenants and as supplemented by such other written instructions as may from time to time be provided by the City to the Investment Manager. The City shall promptly forward all relevant bond covenants and other restrictions on investments not contained in the Investment Policy to the Investment Manager.

(b) In furtherance of this Agreement, including but not limited to Section 1(a) above, and except for the express limitations contained herein and in the Investment Policy Statement, City hereby designates and appoints Public Trust as the City's Investment Manager.

2. **Investment Guidelines, Investment Policy Statement.**

The Investment Manager agrees to manage the City's assets within the Account or Accounts in accordance with the City's Investment Policy Statement (Exhibit C). The Investment Policy Statement contains written investment guidelines and restrictions for the management of the Account. Investment Manager agrees to use its reasonable efforts to make investment decisions in accordance, and consistent with, the Investment Policy Statement. City may provide the Investment Manager an amended Investment Policy Statement at any time, from time to time, and the Investment Manager will use its reasonable efforts to implement such amended Investment Policy Statement as soon as practicable. Notwithstanding the preceding, in no event will the Investment Manager follow any provision of the Investment Policy Statement or any provision of this Agreement that Investment Manager determines would contravene any applicable law, rule, or regulation of any governmental authority or securities exchange to which it is subject; provided that Investment Manager shall give City prompt written notice of such determination.

3. **Custody of Assets.**

(a) Investment Manager shall not hold or have custody or possession of any cash, securities or other properties of City. Custodians designated by City (the **"Designated Custodians"**) shall have the responsibility to consummate any and all purchases, sales, deliveries, receipts and other transactions made with respect to the Account, the collection of all income (including, but not limited to, interest and dividends) and the acquisition and safekeeping of the assets, securities, funds, and other properties comprising the Account.

(b) The City agrees to promptly furnish, or to cause the Designated Custodians to promptly furnish, to the Investment Manager all data and information Investment Manager may reasonably request to render the services described in this Agreement.

(c) The City shall instruct the Designated Custodians to (i) carry out all transactions directed, in writing or electronically, by the Investment Manager, (ii) confirm, in writing or electronically, all completed transactions to the Investment Manager and (iii) cooperate with the Investment Manager in its performance under this Agreement.

(d) The City will provide the Investment Manager with a certificate certifying the names and specimen signatures of the individuals who are authorized to act on behalf of the City and Designated Custodians. The Investment Manager will be fully protected in relying upon any notice, instruction, direction, or communication that it reasonably believes (based upon the most recent certificate of the City and Designated Custodians that has been received by the Investment Manager) to have been executed by an individual who is authorized to act on behalf of the City or Designated Custodians.

(e) As mutually agreed between the Investment Manager and the City, fees charged for safekeeping the assets of the Account shall be paid by the Investment Manager. Cost for the safekeeping fees will not be deducted from the Account or charged to the City as an additional fee.

4. **Management Fee and Expenses.**

For the Investment Manager's services to the City under this Agreement, the City agrees to pay the Investment Manager an annual fee, in monthly installments, payable on the first day of each month, based on the market value of daily net assets under management of the City at an annual rate of six (6) basis points (0.06%). Investment Manager's fee includes all custodial fees, transaction fees and all other fees associated with this agreement.

5. **Track Record.**

The Investment Manager shall have the right to acknowledge City as its client and use the track record of (i) the Account from the Effective Date until the Termination Date and (ii) the City's investment assets. During the term of this Agreement and for such period thereafter that Investment Manager continues to show any such track record, and for a period of at least the period shown in any such track period plus six years thereafter, the City shall make available, and/or cause the Designated Custodians to make available, to the Investment Manager, at the Investment Manager's expense, all information reasonably necessary for the Investment Manager to compile, verify and to use these track records; provided such information shall not be unreasonably burdensome to the City (other than pursuant to the satisfaction of applicable law or regulation). The Investment Manager shall indemnify the City for any claims that arise from the Investment Manager's use of such information.

6. **Term and Termination.**

The Agreement shall terminate at the City's discretion any time provided the City has provided the Investment Manager at least 30 days' prior written notice or at the Investment Manager's discretion any time provided the Investment Manager has provided the City at least 30 days' prior written notice.

7. **Contributions and Withdrawals.**

The City shall determine what assets will be transferred to or from the Account from time to time and shall promptly notify the Investment Manager, in writing, of its determinations in this regard, prior to doing so. The City shall provide the Investment Manager with reasonable written notice of all withdrawals and contributions.

8. **Other Cities; Allocation; Other Disclosures.**

The City acknowledges it has received the Investment Managers' ADV Part II dated February 2, 2012, as amended (the **"ADV Part II"**). The City acknowledges that the Investment Manager may give advice and take action with respect to other Cities that may differ from advice given or the timing or nature of action taken with respect to the City.

9. **Brokerage Fees; Account Transactions.**

Except as specified in the Investment Policy Statement, the City hereby agrees that the Investment Manager shall have full authority and discretion to select brokers, dealers or counterparties through whom any transaction in respect of the Account shall be executed. The Investment Manager will seek "best execution," as described more fully in the ADV Part II, for any such transactions.

10. **City's Representations and Warranties.**

The City represents, warrants, and agrees that:

(a) the City's execution, delivery, and performance of this Agreement do not violate or conflict with any agreement or obligation to which the City is a party or by which the City or its property is bound, whether arising by contract, operation of law, or otherwise;

(b) this Agreement has been duly authorized by all appropriate action of the City and when executed and delivered will be a legal, valid, and binding agreement of the City.;

(c) this Agreement constitutes an arms-length agreement between the City and the Investment Manager, and the City understands the method of compensation provided for herein and its risks;

(d) it has received and read a copy of the ADV Part II.

11. **Investment Manager's Representations and Warranties.**

The Investment Manager represents, warrants, and agrees that:

(a) it is duly incorporated, validly existing, and in good standing (to the extent any representation as to good standing can be made under applicable law) under the laws of its jurisdiction of organization;

(b) the Investment Manager's execution, delivery, and performance of this Agreement do not violate or conflict with any agreement or obligation to which the Investment Manager is a party or by which the Investment Manager or its property is bound, whether arising by contract, operation of law, or otherwise;

(c) this Agreement has been duly authorized by all appropriate action of the Investment Manager and when executed and delivered will be a legal, valid, and binding agreement of the Investment Manager, enforceable against the Investment Manager in accordance with its terms,

and the Investment Manager will deliver to the City such evidence of such authority as the City may reasonably require, whether by way of a certified resolution or otherwise;

(d) as of the date of this Agreement the Investment Manager is a registered investment adviser under the Advisers Act, and at all times that this Agreement is in effect, the Investment Manager shall be either registered or exempt from such registration;

(e) to the best of Investment Manager's knowledge, neither the Investment Manager nor its affiliates are subject to any order, judgment or decree described in Section 203(e) or (f) of the Advisers Act or has received notice that it is currently under investigation by any regulatory body that could give rise to such an order, judgment or decree; and

(f) the foregoing representations and warranties shall be continuing during the term of this Agreement, and if at any time during such term any event occurs which would make any of the foregoing representations and warranties untrue or inaccurate in any material respect, the Investment Manager promptly will notify the City of such event and of any resulting untruths or inaccuracies.

12. **Indemnification of CITY**

The Investment Manager shall indemnify and hold harmless City, its agents, employees, elected officers and representatives from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the Investment Manager, its agents, employees, subcontractors or consultants in the performance of this Agreement.

The Investment Manager agrees to hold the City harmless from loss, damage, injury or liability arising directly from the negligent acts or omission of the Investment Manager, its agents, employees, subcontractors or consultants and their employees and agents.

13. **Anti-Money Laundering.**

The City understands and agrees that the Investment Manager prohibits the investment of funds by any persons or entities that are acting, directly or indirectly, (i) in contravention of any applicable laws and regulations, including anti-money laundering regulations or conventions, (ii) on behalf of terrorists or terrorist organizations, including those persons or entities that are included on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury Department's Office of Foreign Assets Control (**"OFAC"**), available at http://www.treas.gov/ofac, as such list may be amended from time to time, (iii) for a senior foreign political figure, any member of a senior foreign political figure's immediate family or any close associate of a senior foreign political figure, unless the Investment Manager, after being specifically notified by the City in writing that it is such a person, conducts further due diligence, and determines that such investment shall be permitted, or (iv) for a foreign shell bank (as defined in USA PATRIOT Act) (such persons or entities in (i) – (iv) are collectively referred to as "**Prohibited Persons**"); The City represents, warrants, and covenants that: (i) it is not, nor is any person or entity controlling, controlled by or under common control with it, a Prohibited Person.

14. **Agency Transactions.**

The City acknowledges that it is aware and understands that the Investment Manager or its affiliates may effect agency transactions between their respective advisory Clients, which may include the Account, provided, with respect to any such agency transaction, neither the Investment Manager nor any of its affiliates acts as a broker within the meaning of Section 206(3) of the Advisers Act. Furthermore, the City prospectively authorizes the Investment Manager and any of its affiliates to effect such agency transactions involving the Account.

15. **General Provisions.**

Notice. Unless otherwise specified herein, all notices, instructions, and any advice in connection with transactions or other matters contemplated by this Agreement shall be deemed to be duly given when received by hand, by email (if confirmed by reply email or by telephone), or by facsimile as follows:

If to the Investment **Manager:**

Public Trust Advisors, LLC
999 18th Street, Suite 1230
Denver, CO 80202

With a copy to:

Michael E. McDonough, Esq.
Murtha Cullina LLP
CityPlace I
185 Asylum Street
Hartford, CT 06103

If to the City:

Paul J. Nicoletti, City Manager
121 SW Flagler Avenue
Stuart, Florida 34994

With copy to:

Dorothy Zaharako, Financial Services Director
121 SW Flagler Avenue
Stuart, Florida 34994

Either party hereto may, from time to time by notice in writing served upon the other as set forth above designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

Governing Law; Jurisdiction. Venue for any lawsuit to enforce the terms and obligations of this Contract shall lie exclusively in the County Court or the Circuit Court in and for Martin County, Florida.

Severability. Each section of this Agreement and any and every provision therein shall be severable from every other section of the Agreement and any and every provision thereof, and the invalidity or unenforceability of any section or provision by any court shall not affect the validity of any other section or provision of this Agreement and such remaining provisions shall remain and continue to be in full force and effect.

Entire Agreement. This Agreement and all attached exhibits and documents which are incorporated herein embodies the entire Agreement of the parties hereto with respect to the subject matter hereof. All prior agreements, understandings, and negotiations (including, without limitation, any memoranda of understanding or letters of intent) are merged herein and superseded hereby. In the event of any conflict between the provisions of this Agreement and any exhibit or attachment hereto or any document incorporated herein, the provisions of this Agreement shall control.

Amendment. This Agreement, including the exhibits hereto, may not be amended unless such Amendment is in writing and signed by the parties sought to be bound. Except as provided herein, no alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

Force Majeure. Notwithstanding anything in this Agreement to the contrary, neither party shall be responsible or liable for its failure to perform under this Agreement or for any losses to the Account resulting from any event beyond the reasonable control of such party or its agents, including but not limited to nationalization, expropriation, devaluation, seizure, or similar action by any governmental authority, de facto or de jure; or enactment, promulgation, imposition, or enforcement by any such governmental authority of currency restrictions, exchange controls, levies, or other charges materially impairing the Account's property; or the breakdown, failure or malfunction of any utilities or telecommunications systems, or any order or regulation of any banking or securities industry, including changes in market rules and market conditions materially impairing the execution or settlement of transactions; or acts of war, terrorism, insurrection, or revolution; or acts of God.

Waivers. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power, or privilege hereunder, nor any single or partial exercise of any right, power, or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

Titles or Headings. Titles or headings are not part of this Agreement, are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

Independent Contractor. The Investment Manager represents and warrants that it is and shall be an independent contractor and shall, at its sole cost and expense, and without any additional compensation (except as provided herein), comply with all applicable laws, rules and regulations, including the payments of all income taxes, social security contributions and other applicable local, state and federal taxes and insurance for Investment Manager, including the Primary Account Manager and its other employees.

Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Additional Documents. The Investment Manager and the City agree to execute such additional documents, and to perform such further acts, as may be reasonable and necessary to carry out the provisions of this Agreement.

Cumulative Remedies. The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies which any party may otherwise have at law or in equity.

Assignment. This Agreement may not be assigned by City without the prior written consent of the Investment Manager, and this Agreement may not be assigned by the Investment Manager without the prior written consent of the City, provided (i) the Investment Manager may assign this Agreement to an entity controlled by the Investment Manager or an affiliate without the consent of the City; and (ii) the City may assign its interests, indirectly or directly, to any entity controlled by City without the consent of the Investment Manager. Notwithstanding the foregoing, an assignment shall not be made without giving a least 30 days prior written notice to the other party regardless of whether consent to the assignment is required.

No Waiver. Nothing in this Agreement shall in any way constitute a waiver or limitation of any rights that City may have under federal or state securities laws.

Sovereign Immunity. Nothing contained herein shall be construed or interpreted as a waiver of the sovereign immunity liability limits established under chapter 768.20 Florida Statutes as amended.

Contractual Authority. **By signing this Agreement the Investment Manager swears or affirms, under penalty of perjury, that this is a valid act of the Investment Manager,** and that no later claim shall be made by the Investment Manager that the Agreement is invalid or an *ultra vires* act, by reason of a failure to have the proper authority to execute the Agreement. In the event that a court of competent jurisdiction later determines that the Agreement is or would be null and void for failure of the signatory to have proper or complete authority, this Agreement shall nonetheless be deemed valid under the theory of "apparent authority."

16. **Exhibits.**

The following Exhibits are attached to and made a part of this Agreement:

"Exhibit A" - "Proposal as Submitted by Advisor and Accepted by City"

"Exhibit B" - "Original Request for Proposal as Issued by City"

"Exhibit C" – "City of Stuart Investment Policy"

"Exhibit D" – "Investment Manager's Certificate of Insurance"

Should the terms of this Agreement conflict with the terms of Exhibit A or Exhibit B, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

CITY

ATTEST:

Cheryl White
City Clerk

Paul J. Nicoletti
City Manager

APPROVED AS TO FORM
AND CORRECTNESS

Michael D. Durham
City Attorney

WITNESSES:

(Signature)

(Signature)

INVESTMENT MANAGER

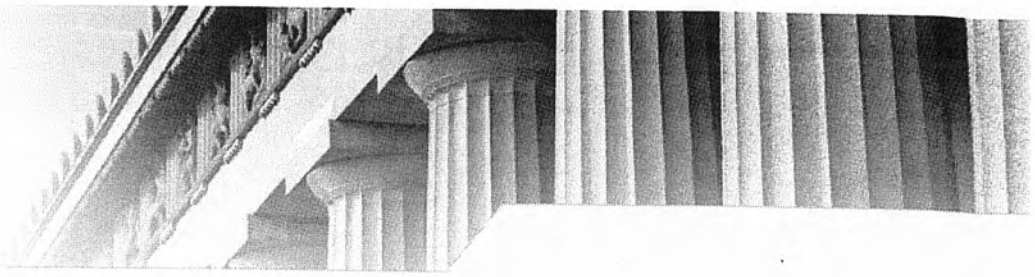
(Signature)

John GRADY MANAGING Director
(Printed Name & Title)

"Exhibit A"
"Proposal as Submitted by Advisor and Accepted by City"

See next 69 page(s)

PUBLIC™ TRUST ADVISORS



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Proposal to provide Investment Management Services to the City of Stuart

Responses Due:
Investment Management Services - Request for Proposal (RFP) #2013-127
Due: **March 27, 2013 2:30 p.m.**

PUBLIC TRUST ADVISORS

March 27, 2013

Terry Iverson
Procurement Manager
121 SW Flagler Avenue
Stuart, FL 34994

Dear Mr. Iverson:

Public Trust Advisors, LLC (Public Trust) appreciates the opportunity to respond to the Request for Proposal to serve as Investment Advisor for the City of Stuart (the City). Please find attached our proposal in response to RFP for Investment Management Services RFP #2013-127.

Public Trust was founded by a team of experienced investment professionals with the single goal of providing relationship-focused asset management services to our clients. Our team has significant experience providing all aspects of treasury and investment management services for institutional public funds. Public Trust's team of professionals has spent most, if not all of their careers dedicated to serving our public fund clients. Prior to Public Trust's beginnings, our professionals held senior level roles with some of the nation's largest fixed income asset management firms.

Our mission is to provide a safety-first fixed income only investment program to our clients utilizing an optimal combination of experienced investment professionals and the most advanced technology for portfolio management and reporting capabilities that results in an effective and efficient asset management program for each client. Public Trust's entire team consists of individuals with significant experience in all aspects of investment management. Our senior portfolio manager has more than 30 years' experience serving local government entities throughout the U.S. and our investment advisory teams consists of seasoned professionals with more than two decades of experience that have successfully developed and implemented tailored investment and treasury management programs for institutional investors including municipalities, counties, special districts, state agencies, higher education, school districts, and hospital districts.

ACCOUNT MANAGERS SIGNIFICANT FLORIDA PUBLIC FUNDS EXPERIENCE

The Public Trust professionals dedicated to the District have extensive experience providing investment manage and treasury management services to municipalities and state and local governmental entities in Florida and throughout the U.S. Tom Tight, Managing Director and John Grady, Managing Director, the District's primary relationship managers, have been providing treasury management and investment and financial advisory services to more than one hundred local governments, state agencies, special districts, hospital districts, school districts, transportation authorities, and other public entities in Florida and nationally for more than a decade representing more than $8 billion in public funds currently and in in their previous roles with Cutwater Asset Management and PFM Asset Management.

LARGE FIRM EXPERIENCE – SMALL FIRM CLIENT SERVICE APPROACH

We believe our firm's approach, and the reason for its founding, is to provide our clients with the extensive experience of our professionals gained from the client development and portfolio management for assets totaling more than $15 billion in separately managed accounts and state and local governments throughout the U.S., combined with the technology available today to provide a well-organized, personal approach to investment management. We believe the key to a successful investment management program results from a comprehensive approach to each client's overall treasury management program.

Also, while other firms continue to diversify investment programs away from the public sector in this low interest rate environment, Public Trust is fully committed to this sector and we dedicate 100% of our resources to the management and investment advisory services for public funds.

AN INDEPENDENT REGISTERED INVESTMENT ADVISOR

Public Trust Advisors is an independent investment manager registered with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. **We have no soft dollar arrangements and all compensation is based solely on client managed assets. Unlike other firms within the industry, we do not transfer revenues or profits from our asset management firm to other joint ventures, subsidiaries or owner owned companies affiliated under a parent company structure.**

All security transactions are competitively bid in accordance with our clients' investment policy statements. Unlike many other firms that may serve in other financial service related functions (e.g., financial advisor, underwriter, banking institutions, bond insurers); Public Trust Advisors has no conflict of interest in the management of our clients' accounts. Our investment professionals have no financial interest in any other services provided to our clients. Public Trust only manages fixed income assets for our public entity clients. Our portfolio managers expertise is in managing portfolios consisting of U.S. Treasuries, Federal Agencies and investment grade corporate issues, where permitted, within the short term area of the yield curve with average portfolio maturities from overnight strategies with local government investment pools to the 1-10 year area of the yield curve.

STATE OF THE ART FULLY CUSTOMIZABLE COMPREHENSIVE ONLINE REPORTING PLATFORM

We believe Public Trust offers our clients the most comprehensive reporting platform with advanced capabilities that allow the creation of tailored reports that go beyond the basic required industry standard information to present financial asset holdings in a manner that is consistent with the specific needs of the City. This reporting technology also allows for fully tailored supplemental investment reports that can be developed and readily created as needed. Our goal is to provide the most transparent, straightforward reports that are easily understood.

On behalf of our team, I look forward to the opportunity to serving the City of Stuart providing investment management services. If you have any questions please feel free to call me toll free at 855-395-3954. This Proposal will remain valid for a minimum of ninety (90) days from February 27, 2013.

Respectfully Submitted,

Tom Tight
Managing Director

John F. Grady III, CTP
Managing Director

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PUBLIC TRUST ADVISORS

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1. Describe the organization, date founded, and ownership of the firm and regulatory agencies to which the organization reports. Describe any significant change in organizational structure, ownership or management during the last three years.

Public Trust Advisors LLC ("Public Trust") was founded by a team of experienced investment professionals with the single goal of providing relationship-focused asset management services to our clients.

After long and distinguished careers in the public funds investment management marketplace with industry leading firms , our team of professionals created a firm in September 2011 whose sole mission is to provide superior and client focused investment management solutions to local governments in an efficient and cost effective manner. Public Trust is an independent investment advisor registered with the Security and Exchange Commission in accordance with the Investment Advisers Act of 1940.

Public Trust is a privately held limited liability corporation that has no relationships with any other financial or non-financial firm. Our single focus is on investment management and advisory services for our clients. We are not publicly held and we are not owned by a private equity firm. We believe this structure results in a single focused firm that is dedicated to the safety and success of our clients' investment programs

Public Trust has not had a material change in organizational structure, ownership or management in the last three years.

2. Describe any business affiliations with subsidiaries, joint ventures and/or "soft dollar" arrangements with brokers. Identify the types of accounts primarily managed by the organization.

INDEPENDENT INVESTMENT ADVISOR

Public Trust is not a broker/dealer and we do not receive any soft dollars or any other form of compensation for client transactions. Our clients also benefit from our firm structure that ensures we do not have conflicts of interest that may arise with firms that serve and are compensated from service multiple roles within the public sector including underwriters, banking institutions, insurance companies and financial advisory consultants. In addition, unlike other firms within the industry, we do not transfer revenues or profits from our asset management firm to other joint ventures, subsidiaries or owner owned companies affiliated under a parent company structure.

Unlike many other firms that may serve in other financial service related functions (e.g., underwriting, banking institutions, bond insurers); Public Trust Advisors has no conflict of interest in the management of our clients' accounts. Our investment professionals have no financial interest in any other services provided to our clients

3. Describe any SEC, NASD or other regulatory censure or litigation involving the organization during the past five (5) years. Summarize fidelity bond coverage, errors and omissions coverage, employee dishonesty coverage, fiduciary liability insurance, or other fiduciary coverage carried by the organization.

Public Trust has never faced SEC, NASD or any other regulatory censure, litigation or any legal proceeding with a regulatory agency. Public Trust is an employee owned limited liability corporation with no affiliates and no parent company.

4. Provide a copy of the organization's most recent audited financial statement. Include a positive statement the organization adheres to the Code of Professional and Ethical Standards as described by AIMR (Association for Investment Management and Research).

Public Trust in in the midst of having our financial statements audited and we will provide our annual financial statement for year ended December 31, 2012 once completed. In founding our firm we sought to establish appropriate levels of capital and resources which we believe allow Public Trust to provide a high level of services to all of our clients and the ability to meet the requirements of this proposal.

We place a high level of importance on the financial stability of our firm, which is why we have formed the Public Trust as an employee owned limited liability corporation in which all financial decisions of the firm are made by those who have a personal interest in the success of Public Trust.

CODE OF PROFESSIONAL STANDARD

Public Trust adheres to the Code of Professional and Ethical Standards as described by Association for Investment Management and Research (AIMR), also known as the CFA Institute. The City's designated portfolio managers, Neil Waud, CFA and Randy Palomba, CFA hold the designation of Chartered Financial Analyst (CFA) and must adhere to the Code of Ethics and Standards of Professional Conduct

1. Describe the organization's experience managing investment portfolios for public funds and governmental entities emphasizing relevant experience managing public funds in the State of Florida.

FLORIDA PUBLIC FUNDS EXPERIENCE

The Public Trust professionals dedicated to the City have extensive experience providing investment manage and treasury management services to municipalities and state and local governmental entities in Florida and throughout the U.S. The City's primary relationship managers, have been providing treasury management and investment and financial advisory services to local governments for more than a decade.

Prior to joining Public Trust, Tom Tight, John Grady, CTP, Randy Palomba, CFA and Neil Waud developed and implemented the public funds investment programs while working with Cutwater Asset Management and PFM Asset Management for several municipalities throughout the state of Florida. The City's relationship managers Tom Tight, Managing Director and John Grady, Managing Director have experience providing investment advisory services for more than $8 billion in Florida public funds in their previous roles with Cutwater Asset Management and PFM Asset Management.

FLORIDA GOVERNMENTAL ENTITY EXPERIENCE

The list below represents entities where these individuals served as engagement managers in their current and previous roles, which may still be clients of those firms. These individuals were responsible for providing investment management and/or advisory services to the following clients. These professionals have worked with numerous municipal clients in during their careers prior to joining Public Trust including those listed below:

PUBLIC TRUST TEAM FLORIDA PUBLIC FUNDS EXPERIENCE

- City of Naples
- City of Fort Lauderdale
- City of Miami Beach
- City of Pompano Beach
- City of Coral Springs
- City of Dania Beach
- City of Oviedo
- City of North Port
- City of Aventura
- City of Hollywood
- City of Hallandale Beach
- City of Vero Beach
- City of Daytona
- City of Cocoa
- City of Jacksonville Beach
- City of Coral Springs
- City of North Port
- City of Tallahassee
- City of Cape Coral
- City of West Palm Beach

- City of Palm Coast
- City of Sanford
- Town of Davie
- State of Florida
- Citizens Property and Casualty
- Alachua County
- Leon County
- Hillsborough County
- Palm Beach Schools
- Lake County Schools
- Broward County Schools
- Manatee Schools
- Seminole County Schools
- Palm Beach County Schools
- St. Johns River Water Management District
- Florida Community College of Jacksonville
- Miami Children's Hospital
- South Broward Hospital District

This team of professionals has considerable experience providing treasury and investment management services to local governments throughout Florida. We are also engaged in the development and continuing education of our own team and our clients and we are active members of the Florida Government Finance Officers Association (FGFOA) and the local chapters in Florida. We often serve on professional development committees and provide training seminars through the state and local chapters during quarterly and annual meetings on topics such as investment strategies, market updates and cash flow analysis, bond mathematics, economic updates and treasury management.

NATIONAL INVESTMENT AND ADVISORY EXPERIENCE

Public Trust professionals have considerable investment management and advisory experience nationwide. A team of portfolio managers and investment advisors that has managed, administered and provided investment advisory for several LGIPs and hundreds of separately managed accounts across the U.S. The chart below lists states in which the team that would serve the City has provided one or more of these types of investment related services for public funds. Also, these individuals have served in many roles both internal and external, including serving as the Chief Investment Officer for the Treasurer of the State of New Mexico general funds, bond proceeds and the LGIP.

National Experience

- ✓ **Florida**
- ✓ New Mexico
- ✓ Arizona
- ✓ Arkansas
- ✓ California
- ✓ Colorado
- ✓ Texas
- ✓ Georgia
- ✓ New York
- ✓ Wisconsin
- ✓ Indiana
- ✓ Alabama
- ✓ Michigan
- ✓ New Jersey
- ✓ Connecticut
- ✓ New Hampshire
- ✓ Puerto Rico
- ✓ Illinois
- ✓ Massachusetts
- ✓ Louisiana
- ✓ Maine
- ✓ Oregon

2. Summarize institutional assets the organization has had under management during the past five years. Describe them using the following categories, separating Governmental asset totals from Other Institutional; asset totals:

Our expertise is in managing portfolios consisting of U.S. Treasuries, Federal Agencies and investment grade corporate issues, where permitted, within the short term area of the yield curve with average portfolio maturities from overnight strategies with local government investment pools to the 1-10 year area of the yield curve. Currently Public Trust manages more than 3.1 billion in short term funds for more than 1,200 participants.

	Short-Term Funds	Medium Term Operating Funds	Long Term Operating Funds
Government Institutions	$3.3 billion		
Other Institutions			
Total	$3.3billion		

3. Describe the organization's experience developing investment policies and portfolio management guidelines for government operating funds.

INVESTMENT POLICY STATEMENT DEVELOPMENT EXPERIENCE

Public Trust professionals are industry experts in the in the review, development and implementation of investment policy statements nationwide for municipalities, county governments, school districts and higher education institutions, state agencies, special districts, hospital districts and other entities responsible for the safety of public funds. In addition to reviewing this document closely with our clients through our on-boarding process, we frequently have the opportunity to provide training on the topic of investment policy development for state and local chapters of the Government Finance Officers Association.

Public Trust's investment advisory professionals and portfolio managers are seasoned professionals and have been involved in the development and implementation of investment programs for public entities. Our senior portfolio manager began investing on behalf of governmental entities almost 30 years ago. Our experienced team of professionals works closely with our clients' treasury management staff in the development and implementation of the investment and treasury management program, including providing technical analysis and tailored reporting solutions.

As part of our initial steps, we will review the current investment strategy and provide a full analysis and recommended investment strategy that is based the client's own unique characteristics such as cash flow needs, goals, objectives and permitted investments as described in the investment policy statement. This experienced team of professionals is dedicated to providing comprehensive treasury management services that complement the investment management provided by Public Trust's portfolio management team.

4. Provide five (5) client references (public references preferred) to include client name, contact person, address, telephone number, length of time assets have been managed by the organization and a list of any other related services provided to the client.

INVESTMENT ADVISORY REFERENCES

Reference	Contact Personnel	Address/Phone Fax/Email	Services Provided
City of Naples	Ann Marie Ricardi Finance Director	735 Eighth Street South Naples, Florida 34102 239-213-1822 aricardi@naplesgov.com	Core, short-term assets and bond proceeds investment management, investment policy review and consultation, cash flow analysis, reporting and accounting services, GASB 40 note development
City of Daytona Beach	Kathie Eichinger Financial Services Manager	Daytona Beach, FL, eichingerk@codb.us 386-671-8062	Core, short-term assets and bond proceeds investment management, investment policy review and consultation, reporting and accounting services, GASB 40 note development, custody consultation
Newnan Utilities	Jenny Paul, CPA, Controller	70 Sewell Road Newnan, Georgia 30263 770-683-6155 jpaul@newnanutilities.org	Core, short-term assets investment management, investment policy development, review and consultation, cash flow analysis, reporting

COLOTRUST	Al Dominguez Jr. Chairman of the Board of Trustees	300 Habitat Cove, Windsor, CO 80550 (970) 674-9902, amdda@comcast.net	Manage State of Colorado Local Government Investment Pool providing two fund options based on investment allocation.
Larimer County	Gary Stoker Assistant County Treasurer	P.O. Box 1250, 200 West Oak Street, Ste 2100 Fort Collins, CO 80522-1250 (970) 498-7033, gstoker@larimer.org	Core, short-term assets and bond proceeds investment management, investment policy review and consultation, cash flow analysis, reporting and accounting services, GASB 40 note development

PERSONAL INVESTMENT ADVISORY REFERENCES

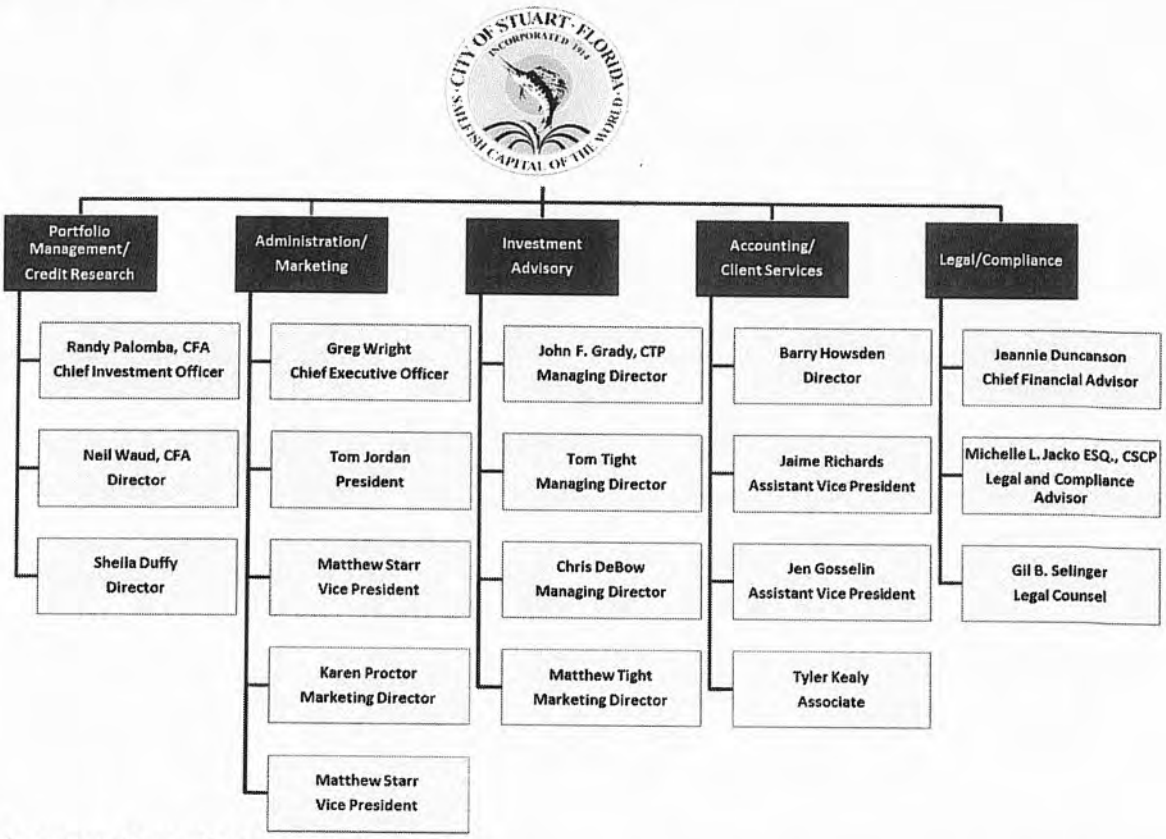
In addition to our client references, we have provided several references for investment advisory services that John Grady and Tom Tight have been provided to the entities prior to joining Public Trust.

Reference	Contact Personnel	Address/Phone Fax/Email	Time as Client	Services Provided
City of Miami Beach	Patricia Walker Chief Financial Officer	1700 Convention Center Drive Miami Beach, FL 33139 305-673-7574 twalker@miamibeachfl.gov	2004 – 2012	Core, short-term assets and bond proceeds investment management, investment policy review and consultation, cash flow analysis, reporting and accounting services, GASB 40 note development
Leon County	Norma Parish Treasury Manager	Treasury Manager Clerk of Court, Leon County P O Box 726 Tallahassee FL32302-0726 NBParrish@leoncountyfl.gov	2009 - 2012	Core assets investment management, investment policy review, cash flow analysis, reporting and accounting services

1. Provide a summary organizational chart showing the proposed project team including analytical investment and research staff, other decision support and back office support. Identify the primary contact person and describe the role of each key person.

DEDICATED PUBLIC FUNDS INVESTMENT PROFESSIONALS

The following chart below presents key individuals who will serve the City as investment advisory professionals. Public Trust was founded on the principal of providing client focused investment management and our firm places regards this aspect of our role with clients as important as the safety of the assets we manage on behalf of our clients. We believe one of the strengths Public Trust brings to this engagement is the broad experience of our entire team; relationship managers, analytical professionals, portfolio managers and back-office operations including compliance and reporting that are dedicated entirely to the investment management programs for public funds.



LOCAL DEDICATED CLIENT RELATIONSHIP MANAGERS

Public Trust has two primary offices that will serve the City. All portfolio management activities will be managed from our headquarters in Denver, Colorado. The City's primary client relationship will be managed from our Orlando, Florida office.

Primary Relationship Managers	Primary Portfolio Managers
John F. Grady III, CTP, Managing Director	Randy Palomba, CFA, Managing Director
John.grady@publictrustadvisors.com	Randy.palomba@publictrustadvisors.com
Thomas N. Tight, Managing Director	Neil Waud, CFA, Director
Tom.tight@publictrustadvisors.com	Neil.waud@publictrustadvisors.com

Regional Office	Headquarters

4767 New Broad Street	999 18th Street, Suite 1230
Orlando, FL 32814	Denver, CO 80202
(407) 514-2727	(855) 395-3954

PRIMARY RELATIONSHIP CONTACTS

THOMAS N. TIGHT II
MANAGING DIRECTOR

- More than 17 years of experience providing investment advisory services to local governments
- Primary relationship manager for more than $7 billion in separately managed assets including general funds, bond proceeds, pension funds, reserve funds
- Served as head of business development for a top fixed income investment firm for 10 years
- Frequent speaker and committee member for several chapters of the GFOA
- Will provide advisory support to City for investment strategies

JOHN F. GRADY, III, CTP
MANAGING DIRECTOR

- More than 15 years of experience providing financial and investment advisory services to local governments
- Primary relationship manager for more than $7 billion in separately managed assets including general funds, bond proceeds, pension funds, reserve funds
- Will provide analytical support to the City including the development and implementation of a tailored cash flow analysis and custom reports
- Frequent speaker and committee member for several chapters of the GFOA

PORTFOLIO MANAGERS

NEIL WAUD, CFA
DIRECTOR, SENIOR PORTFOLIO MANAGEMENT

- Senior portfolio manager for Public Trust
- More than 15 years of experience serving in the investment function
- Primary portfolio manager for more than $8 billion in separately managed assets including general funds, bond proceeds, pension funds, reserve funds and for several local government investment pools
- Holds the designation of Chartered Financial Analyst
- Will serve as a primary portfolio manager for the City' advisory account

RANDY PALOMBA, CFA
MANAGING DIRECTOR, HEAD OF PORTFOLIO MANAGEMENT

- Head portfolio manager for Public Trust
- More than 30 years of experience serving in the investment function, beginning in 1983 with City and County of Denver
- Primary portfolio manager for more than $12 billion in separately managed assets including general funds, bond proceeds, pension funds, reserve funds and for several local government investment pools
- Holds the designation of Chartered Financial Analyst
- Frequent speaker on topics related to investment strategies and portfolio management

ACCOUNTING AND COMPLIANCE

BARRY HOWSDEN
CHIEF COMPLIANCE OFFICER AND DIRECTOR OF ACCOUNTING AND OPERATIONS

- Head of compliance and accounting for Public Trust
- More than 15 years of experience serving in the accounting function for public funds
- Will serve as head of client service for all accounting and compliance functions

2. Provide detailed resumes of all key investment professionals who will be directly responsible for the investment of City of Stuart funds. Include the following information: Title, number of years at the firm, total number of year's experience, professional designations or licenses, SEC or NASD or any other regulatory censures, actions or litigation.

EXPERIENCED SENIOR MANAGEMENT

Public Trust professionals have spent a significant part of their careers providing investment and financial advisory services to institutional public funds clients. This team of Public Trust executives and senior staff believe the best approach to the investment of public funds should be based on the core value of providing superior client service to our clients and implementing a transparent investment program that seeks to maximize portfolio returns without adding undue risk .

INVESTMENT ADVISORY PROFESSIONALS

THOMAS N. TIGHT II
MANAGING DIRECTOR
TOM.TIGHT@PUBLICTRUSTADVISORS.COM

Tom Tight joined Public Trust in April of 2012. Mr. Tight has more than 17 years of investment management and public funds finance experience. His responsibilities include business development, investor relations and client services. He is responsible for client servicing and consultant relations and works closely with our clients' staff to provide analytical resources including cash flow analysis, portfolio strategy recommendations and investment report modeling. He will also serve as liaison between the client and the portfolio management team. Prior to joining Public Trust, Mr. Tight worked at Cutwater Asset Management since July 2002 and has over 17 years of investment management and public finance experience. Prior to joining Cutwater, Mr. Tight worked on the fixed income desks for both UBS PaineWebber and A.G. Edwards & Sons. His specific areas of expertise include fixed income portfolio management, structured fixed income products, and public finance transactions. Mr. Tight received both his bachelor's degree and his master's degree from St. Louis University. He is both Series 7 and 63 registered through the Financial Industry Regulatory Authority (FINRA) and is currently a Level Three candidate for the designation of Chartered Financial Analyst (CFA).

JOHN F. GRADY, III, CTP
MANAGING DIRECTOR
JOHN.GRADY@PUBLICTRUSTADVISORS.COM

John Grady, CTP is responsible for investment advisory services and analytics and manages the client relationship function Public Trust. Mr. Grady has more than 15 years of government, investment management and public finance experience. Prior to joining Public Trust, Mr. Grady worked as an asset manager and financial advisor with Cutwater Asset Management where he held the position of Vice President for investment advisory and client relationships for government and institutional clients. Mr. Grady was also a senior managing consultant for PFM Asset Management LLC wherein addition to serving as the primary relationship manager for many investment advisory clients, he developed and enhanced client specific investment and cash flow models. He also served as the Fiscal Administrator for Orange County,

Florida. Mr. Grady's specific areas of expertise include providing technical and analytical resources, development of portfolio strategies, and public finance transactions and developing customized cash flow and investment reports. Mr. Grady received a bachelor's degree with Majors in Finance and Insurance and a Minor in Economics from the University of Florida. He also earned a Master of Business Administration degree from the University of Florida's Warrington College of Business. He holds the designation of Certified Treasury Professional (CTP) through the Association for Financial Professionals.

SENIOR PORTFOLIO MANAGEMENT PROFESSIONALS

NEIL WAUD, CFA
DIRECTOR, SENIOR PORTFOLIO MANAGEMENT
NEIL.WAUD@PUBLICTRUSTADVISORS.COM

Neil Waud is the Senior Portfolio Manager and joined Public Trust shortly after the founding. He is responsible for the separately managed account program for Public Trust and serves as a primary portfolio manager. Prior to joining Public Trust Advisors, Mr. Waud served as a senior portfolio manager for Cutwater Asset Management where he was responsible for managing separately managed accounts nationally and providing support in the management of several Local Government Investment Pools since 1995. Mr. Waud's investment experience includes overnight to longer term duration strategies for public funds. Mr. Waud graduated from the University of Colorado with a Bachelor of Arts in Economics and holds the designation of Chartered Financial Analyst.

RANDY PALOMBA, CFA
MANAGING DIRECTOR, HEAD OF PORTFOLIO MANAGEMENT
RANDY.PALOMBA@PUBLICTRUSTADVISORS.COM

Randy Palomba is a founding member of Public Trust and is the Chief Financial Officer and Head of Portfolio Management. Mr. Palomba has been managing public funds investments since 1983. He has also been the lead portfolio manager for COLOTRUST since 1996. Prior to founding Public Trust Advisors, Mr. Palomba served as portfolio manager for Cutwater Asset Management where he was responsible for managing multiple Local Government Investment Pools including COLOTRUST PLUS+ and COLOTRUST PRIME, TexasCLASS and TRUSTIndiana. His investment experience includes overnight to longer term duration strategies for public funds. Mr. Palomba graduated from Western State College with a BA in Accounting and holds the designation of Chartered Financial Analyst.

HEAD OF CREDIT RESEARCH

SHEILA DUFFY
DIRECTOR, HEAD OF CREDIT RESEARCH
SHEILA.DUFFY@PUBLICTRUSTADVISORS.COM

Sheila Duffy serves as the Head of Credit Research and leads Public Trust's credit committee. Ms. Duffy is one of Public Trust's original members and has significant experience in public funds and investment management. Prior to joining Public Trust, Ms. Duffy served the New Mexico State Treasurer as Chief Investment Officer, where she was responsible for the general funds, bond proceeds and Local Government Investment Pool (LGIP) for the State of New Mexico, overseeing total assets under management of $3.5 billion. Ms. Duffy also served as a credit analyst for Standard & Poor's in her role as a Structured Finance Ratings Specialist. She has also held the position of Vice President of Financial Institutional Research with Davis Funds. Ms. Duffy graduated with a Bachelor in Arts from Colby College and holds Master of Business Administration degree from New York University's Stern School of Business.

ACCOUNTING, REPORTING AND CLIENT SERVICE PROFESSIONALS

BARRY HOWSDEN
CHIEF COMPLIANCE OFFICER AND DIRECTOR OF ACCOUNTING AND OPERATIONS
BARRY.HOWSDEN@PUBLICTRUSTADVISORS.COM

Barry Howsden is the Director of Accounting and Operations and Chief Compliance Officer for Public Trust. His role at Public Trust encompasses oversight of the accounting and client services aspects as it relates to the COLOTRUST portfolios and all separately managed accounts. He is also responsible for all compliance matters as it relates to Public Trust and the underlying investment products. Prior to joining Public Trust, he worked as a Vice President for Cutwater Asset Management where he managed the accounting and/or client services group for numerous Pool products. Additional roles entailed compliance aspects, accounting and client servicing for several separately managed products at Cutwater Asset Management. He has over 15 years of experience in various positions tied to mutual funds, investment accounting and client servicing. Barry holds a Bachelor of Arts with emphasis in Managerial Accounting and Finance from Colorado State University.

JEN GOSSELIN
ASSISTANT VICE PRESIDENT OF OPERATIONS AND ACCOUNTING
JEN.GOSSELIN@PUBLICTRUSTADVISORS.COM

Jen Gosselin is an Assistant Vice President of Operations and Accounting for Public Trust. Ms. Gosselin brings 17 years of industry experience in fixed income securities for local government entities and servicing local government investment pools. Prior to joining Public Trust Advisors, Mrs. Gosselin served with Cutwater Asset Management in an investment compliance role and was responsible documenting and implementing investment policy guidelines for a variety of entities. In addition to her compliance role Jen has extensive experience with trade settlement, repurchase agreements, portfolio oversight and accounting operations. Jen is a Colorado native and graduated from Columbia College with a Bachelors of Science in Accounting.

3. Describe the organization's activities to keep portfolio managers informed of developments relevant to the management of local government's funds.

DEDICATED RESOURCES AND TRAINING FOR PORTFOLIO MANAGERS

From an external perspective, our portfolio managers stay informed of market changes, macro legislative issues and state and local specific events by through real time financial news resources, subscriptions to several publications directly related to the fixed income markets and the public funds sector. These professionals are also responsible for attending training seminars and conferences within the industry that are appropriate for maintaining designations and licenses.

Internally, Public Trust's portfolio managers are intimately knowledgeable of internal and external developments and events that may impact the investment management of our clients' portfolio. This is a natural and intended result of our approach to our client relationships. Public Trust's investment advisors serve as the client relationship manager and are responsible for maintaining on-going communication with the client and the portfolio manager. In addition, we recommend periodic conferences/in-person meetings between the client and portfolio manager to ensure the investment management program in place is most appropriate in the event of internal and/or market changes. Also, each client has a direct line to the portfolio manager.

Public Trust's portfolio managers also provide training on investment management related topics for our clients who have a direct responsibility for the safety of public funds. Our training seminars team Public Trust professionals with professionals in related areas within the industry including accounting firms, underwriters, financial advisors, public officials and legal counsel. This provides our team and our clients with a substantial

network of professionals nationwide and serves as a significant resource for disseminating information in a timely manner.

4. Describe the typical number of accounts managed by a single manager or a team (give size of team). Give the largest number of accounts managed by a single manager or team.

Public Trust manages each client with a team approach. We believe this results in the highest level of client service as a result of multiple professionals having the ability to respond to our clients' requests and to provide solutions to any issues that may arise. While we do not have a specific number of accounts as a rule, we commit a primary seasoned professional from each area within our investment advisory engagement is responsible for each client relationship. In addition, support staff with knowledge of each account is also dedicated to each client to respond to ensure a quick response and this also increases the level of overall service we are able to provide to our clients.

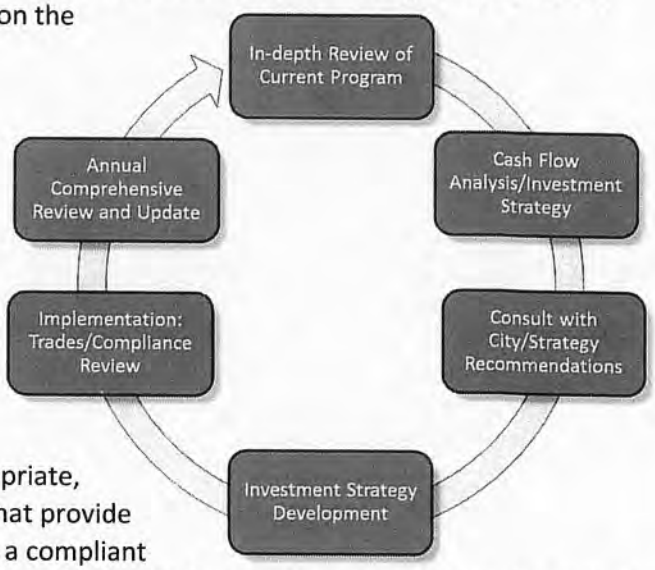
1. Briefly describe the organization's investment Management philosophy. Describe the organizations fixed income investment policy, state when was this policy established.

PUBLIC TRUST'S FIXED INCOME POLICY STATEMENT

Public Trust's fixed income investment policy is simple: To develop and implement a client specific investment policy statement with a primary objective of safety of the assets that is based on client's the risk tolerance and unique cash flow characteristics

INVESTMENT MANAGEMENT PHILOSOPHY

Public Trust's investment management philosophy is based on the principal of maintaining the safety of the public funds we manage on behalf of our clients, while seeking to provide a superior risk adjusted return. Our approach is to utilize a diversified strategy that minimizes market value volatility, prevents exposure to non-compliant securities within the portfolio, and provides complete transparency to the strategy and holdings of the portfolio on a daily basis. By adhering to these principles, our goal is to provide consistently strong investment returns. We provide discretionary and non-discretionary asset management based on revenue type and investment objectives and is based on the characteristics of each client.



ACCOUNT MANAGEMENT FOCUS ON SAFETY

Our public sector accounts are managed with a primary focus on safety. Public Trust's approach to the implementation of our clients' investment programs are designed to provide unique solutions, rather than a one portfolio strategy fits all approach. Given the specific guidelines for the investment of public funds, Public Trust focuses on two primary strategies for managing our clients' portfolios, duration and asset allocation. When appropriate, we recommend multiple duration specific strategies that provide diversification along the yield curve while maintaining a compliant investment program that invests only in defined permitted investments. The chart below illustrates sample portfolio strategies based on the target duration.

CASH FLOW FLUCTUATIONS AND PORTFOLIO STRATEGIES

We believe that a cash flow analysis can improve the overall performance of a client's investment management program by identifying assets needed for very short term needs (payroll), periodic (debt service), one time in- and outflows (sale or purchase of land, grants) and longer term assets (reserves, self-insurance). While a general approach to this process, such as knowing the lowest balance throughout the year can be helpful, a deeper understanding of the timing of the cash flows can significantly increase investment options for the investment programs. Even in the current interest rate environment, this may result in an increase in interest earnings that may be used to offset lower revenues from other sources such as ad valorem revenues or sales taxes.

An investment program should be dynamic, and we suggest annual updates to the cash flow analysis at a minimum with a review of historical results and future expectations. The City's relationship manager and Public Trust's analytical professionals will request historical information from the City' general ledger with monthly cash and investment balances by fund and/or the general fund, schedules for capital project

expenditures and current investment portfolio holdings. We utilize a cash flow model that incorporates seasonality and estimates increases and decreases in fund balance based on this historical information. Since each public sector entity has unique characteristics, there will be slight differences in timing and types of revenues and expenses. These differences impact the cash flow model output.

Once the cash flow analysis is developed, the results are discussed and a formal investment plan confirmed and implemented. When considering balances within the investment strategies, we suggest over-allocating in shorter term strategies to provide liquidity for unanticipated expenditures.

COMPLETE INITIAL AND ONGOING REVIEW OF CURRENT INVESTMENT PROGRAM

Public Trust's team of portfolio managers has extensive experience, which is specialized in short duration, fixed-income investing, specifically for the public sector. Therefore, we are comfortable in the public environment and understand the importance of compliance with statute and policy. Several investment professionals review the portfolio holdings daily including the portfolio managers, the accounting department, the chief compliance officer and the credit research team. Detailed records of this oversight are kept on a daily basis. Of course, the City would have online access to its account to also ensure that the portfolios are being managed within guidelines.

As an initial step in our relationship with the client, we seek to understand the particular goals of the client's treasury management program and construct a policy that is compliant with state and local laws, is in line with the risk tolerances of the client and meets minimum requirements in the areas of asset allocation and maturity requirements, reporting, benchmarking, establishing roles and responsibilities, internal controls and investment procedures and competitive selection of investments.

Public Trust begins each investment management engagement with a complete initial review of current policies, portfolio holdings and in-depth discussions with individuals involved in the daily, monthly and quarterly responsibilities of the treasury and investment management program.

This process results in our understanding of:

- **Investment Objectives and Constraints**
  - ✓ Safety, Liquidity, Diversification and Yield
  - ✓ Investment policy statement review and recommendations
  - ✓ Asset allocation and maturity limits
- **Current policy limits vs. portfolio holdings**
  - ✓ Asset allocation and recommended re-balancing if needed
  - ✓ Duration and expectations of interest rate changes and volatility
  - ✓ Portfolio risk perception vs. actual risk
- **Cash flow and liquidity**
  - ✓ Short term vs. long term revenues and expenditures
  - ✓ Annual vs. one time revenues and expenditures
- **Pre-and Post-trade compliance**
  - ✓ Systems in place to prevent non-compliant trades
  - ✓ Daily pricing and security analytics for ongoing compliance
- **Client communication to ensure appropriate investment strategy in place**
  - ✓ Informal and formal discussions with portfolio manager and relationship manager
  - ✓ Periodic market updates with information that impact portfolio strategy
  - ✓ Formal quarterly meetings to discuss internal and external factors and establish proceeding investment strategy

The chart on the following page provides the steps we take in the review, recommendation, development and implementation of our clients' investment programs.

Complete In-depth Initial Review of Current Program

- Conduct review of existing investment policy statement for compliance with state and local regulations
- Perform analysis of existing portfolio risk characteristics
- Review current custody relationship
- Review internal controls and delegation of authority

Cash Flow Analysis and Investment Strategy Evaluation

- Obtain historical cash flow data
- Construct analysis to estimate short term needs versus core assets and compare to previous results
- Review current investment holdings and duration strategy
- Discuss efficiency of current program with regard to liquidity, asset allocation and cash flow results

Client Consultation and Investment Policy Recommendations

- Discuss results of initial review and results of cash flow analysis
- Review procedures for investment transactions and approach to portfolio management
- Provide recommended adjustments/changes to current investment policy statement when appropriate
- Suggest changes to investment holdings if needed based on results of risk tolerance discussion

Investment Strategy Development and Proposal

- Obtain historical cash flow data
- Construct analysis to estimate short term needs versus core assets
- Review current investment holdings and duration strategy and discuss Public Trust recommendations
- Discuss efficiency of current program with regard to liquidity, asset allocation and cash flow results

Investment Management Compliance Review and Implementation

- Enter IPS information into trade order systems for pre, post-trade compliance
- Establish investment strategies based on all discussions and market conditions
- Provide ongoing management based on established guidelines and dynamic market conditions
- Provide daily access to portfolio holdings information via secure online website
- Provide detailed GASB compliant monthly and quarterly reports with market commentary
- Meet with clients and official committees as recommended by the Client

Our approach to providing investment advisory services for our clients is to serve as an extension of staff and be considered an internal resource for City staff. We believe this approach enhances our clients' cash and investment management programs through efficiency and effectiveness.

2. Describe the primary strategies employed by the organization to add value to investment portfolios. Describe how investment ideas are originated, researched and how the final investment decision is made. Explain how investment decisions are then implemented, monitored and evaluated.

INTEREST RATE EXPECTATIONS AND INVESTMENT STRATEGIES

Interest-rate forecasting plays an important role in overall portfolio management strategy. It is one of several factors in determining the proper asset allocation and maturity distribution of the portfolio. As the economy slows and interest rates are expected to fall, the portfolio is constructed using longer duration non-callable positions. In a rising interest rate environment the portfolio is constructed with securities that will mature sooner allowing for reinvestment at higher interest rates. Also, a slowing economy will often cause corporate interest rate spreads to widen out over Treasury yields as investors expect corporate profits to decline. In an expanding economy the opposite is often the case, therefore interest-rate forecasting is another tool that is used in determining asset allocation.

COMMITTEE APPROACH TO INVESTMENT DECISIONS

Public Trust utilizes a committee approach for final decisions regarding our firm's investment strategy and approved credit list. Individual portfolio managers, the credit committee closely together to determine the duration target and asset allocation strategy. These decisions are discussed informally on an on-going basis and formally during weekly credit committee meetings. Sheila Duffy, Head of Credit Research, provides the committee with the team's recommended approved issuers based on the credit research and analysis. The Committee then decides which issuers to include from a macro level for the overall firm, and on a micro level for individual portfolios based on the specific authorized investment parameters.

Public Trust's Credit Committee has formally established guidelines in which the portfolio manager discusses specific portfolio strategies within each client's unique investment parameters and expected liquidity needs. Our Credit Committee evaluates each sector and is responsible for the individual issuer selection. This rigorous bottom-up process for credit analysis is part of Public Trust's research process.

Public Trust's investment advisory professionals incorporate an analysis of current market and economic conditions as part of their discussion, explaining the rationale for each portfolio transaction. This discussion is an essential aspect of communicating the portfolio strategy with clients. Public Trust also provides our clients with comprehensive reporting, analysis, and fixed income specific charts to illustrate the investment strategy(s) employed for the each client's investment portfolio(s) on a monthly and quarterly basis.

Information will be presented in an economic commentary and ongoing conference calls to review the market data. Public Trust will attend meetings and present monthly and quarterly reports which will provide all performance reporting, historical and projected market conditions, and specific discussions on transactions executed for the investment portfolio during the period.

Public Trust will identify security transactions based on the established investment program and current and anticipated market conditions. Each trade will have been verified through our pre-trade compliance process. Securities will be competitively bid and this information will be maintained for auditing purposes. Transactions will be executed based upon approved investment strategies and will coordinate the transaction and settlement process. Public Trust is an independent investment advisor and is not a custodian. We never take possession of our clients' assets. All of our clients' cash and investments are held in a third party custodial account as determined by the clients.

Our portfolio managers have significant experience in the trade and settlement procedures and take multiple steps to ensure proposed trades meet pre-trade compliance requirements. Once this step is established and

the trade is executed, our trade order management system generates an electronic trade ticket that is stored on our system and can be provided to the client at regular intervals as requested.

3. Describe the organization's research capabilities and resources. Does the organization assign credit research to specialists?

CREDIT RESEARCH

Public Trust utilizes a committee approach for credit review to create an approved trading list, tailored to the needs of each individual client. The firm has a diligent credit process which is focused on safety of principal above all else.

The head of credit research prepares a summary write-up on each company for review by the credit committee. The committee then decides which credits to place on the recommended approved trading list, to be presented to the client. The client has the final approval on the commercial paper list. Upon client approval, the portfolio managers can trade in any name included on the list within the stated parameters of the investment policy. LineData Compliance includes a pre – trade check against the clients approved commercial paper and bank lists.

Public Trust's credit committee evaluates each sector and individual issuer. The credit committee produces an in-depth credit analysis using a broad range of sources including Moody's credit research product, company financials, Bloomberg and general information found in the press and from broker / dealers. The committee assigns a "hold-code" to each credit, which determines the duration or maturity parameters, based upon perceived risk or market/sector trends. It is a rigorous, bottom-up process for credit analysis to select suitable investments based upon safety, liquidity, yield, compliance and transparency. The credits on the approved list are continuously monitored and have alerts set up with Moody's and Bloomberg. The credit committee discusses credits on an on-going basis to ensure that the hold-code is continuously updated and suitable for the client needs and risk tolerance.

The same credit process is used to determine which banks are suitable for a deposit relationship and which counterparties are suitable for repurchase agreements.

CREDIT RESEARCH AND RISK MANAGEMENT

Public Trust believes that credit research and portfolio risk management are an essential component of any investment portfolio. The Credit Crisis of 2007 and related events exposed the shortfalls and over-reliance on the credit ratings only approach to security selection within fixed income investment portfolios. Public Trust's team and portfolio managers have a proven record of avoiding the securities that exposed investors to significant losses as a result of credit migration, and in certain cases deterioration.

Global Perspective

- Macro Economy
- Internal Credit Analysis
- Tier method for credit
- Continuous Review
- Dynamic approved list

Domestic Focus

- Global impact on dollar denominated issuers
- National and regional review and analysis
- Sector review

We have a dedicated head of credit research that works closely with the members of Public Trust's credit committee and our portfolio managers. This coordination provides considerable efficiencies since our portfolio managers are able to focus on the primary function of portfolio management. Each member of the committee is responsible for in-depth understanding of the permitted credits within our clients' investment portfolios.

Our team approach to credit and risk management brings together the internal ideas from our credit research and the analysis and review from external credit research resources. This information is vetted in our formal credit meetings and informally through our ongoing discussions between the credit committee and the portfolio managers.

Macro Analysis	Issuer Analysis
Consider US/Global economy and impact on fixed income securities Internal Credit Analysis Portfolio maturity strategy based on current and expected yield curve. Focus on performance given the business cycle, changing legal requirements.	Monitor credit ratings daily through Bloomberg Monitor sector and issuer concentration Independent broad based research incl. Bloomberg, Moody's, and public information. Issuer alerts set up with Moody's credit research.

We complement this qualitative approach with our quantitative credit and risk models that include a security tiering process and continuous monitoring and updating of our approval list.

Shelia Duffy, Head of Credit Research will serve as the City's primary contact for credit related inquiries. The the City will also have direct access to two portfolio Managers, Randy Palomba, CFA, Managing Director of Portfolio Management and Neil Waud, CFA, Senior Portfolio Manager.

CREDIT QUALITY MONITORING FOR FINANCIAL INSTITUTIONS

Public Trust's utilizes a third party bank rating service that provides our team with daily bank insight that includes industry news, earning and dividend announcements, executive changes and other news. This service is also a resource for which we have access to specific bank ratings based on categories including liquidity and financial stability based on specific factors within the banking/financial services industry.

A. Provide a breakdown of the total assets managed by the organization for public funds and governmental entities. Do not include figures for any subsidiaries, affiliates or parent firms as of December 31, 2012. Use the following table.

Our expertise is in managing portfolios consisting of U.S. Treasuries, Federal Agencies and investment grade corporate issues, where permitted, within the short term area of the yield curve with average portfolio maturities from overnight strategies with local government investment pools to the 1-10 year area of the yield curve. Currently Public Trust manages more than $3.3 billion in short term funds for more than 1,200 participants.

	Dollar Value
Tax Exempt Assets	$3.3 billion
Taxable Assets	
Mutual Funds	
Total	$3.3 billion

B. Provide rates of return indicated below by fund (fixed income investments) for the last ten (10) years, if available.

Public Trust is in the process of taking the necessary steps to be compliant with GIPS standards in our reporting of historical returns and in the presentation of fixed income composites. Our team of portfolio managers has been involved in the investment function for fixed income assets since 1983 and have managed Florida public funds for more than 15 years.

In our efforts to become GIPS verified, Public Trust is currently working on establishing our composites and taking the necessary steps to ensure the performance is appropriately verified by a third party and that this information is presented in accordance with GIPS standards.

We would encourage the City to reach out to the City of Miami Beach, the City of Naples, and the City of Pompano Beach for historical portfolio information. These portfolios were chosen based on portfolio characteristic similarities to the City regarding asset allocation and duration. This contact information is provided in our response to question #4 in the Experience section. These portfolios were managed by Randy Palomba, CFA and Neil Waud, CFA, while working with Cutwater Asset Management until their departure in 2011.

C. Does the respondent offer any structured investment portfolios? Name these investment portfolios and the indices or benchmarks against which they are rated. Provide performance comparisons of these portfolios against the following indices.

FULL SCOPE TREASURY MANAGEMENT APPROACH

As an initial step in our relationship with the client, we seek to understand the particular goals of the client's treasury management program and construct a policy that is compliant with state and local laws, is in line with the risk tolerances of the client and meets minimum requirements in the areas of asset allocation and maturity requirements, reporting, benchmarking, establishing roles and responsibilities, internal controls and investment procedures and competitive selection of investments..

Our team of professionals work closely with our clients' treasury management staff in the development of investment programs, establishing a tailored and annual review of policy statements, internal controls procedures, cash flow analysis, liquidity and short-term investment strategies (money market funds,

procedures, cash flow analysis, liquidity and short-term investment strategies (money market funds, overnight investments), and core portfolio strategies for assets invested longer than a year (open market securities, portfolio structures). The team assigned to the City has extensive experience in the development of treasury related project RFPs including banking and custody and in the support for the implementation of treasury management services.

PERFORMANCE BENCHMARK SELECTION AND PORTFOLIO STRATEGY

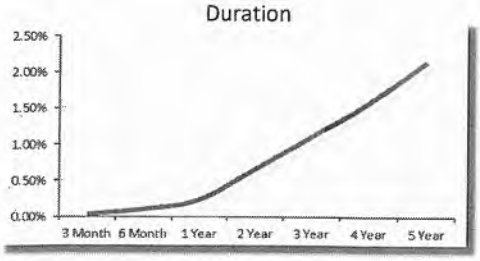
As part of our initial review with the City during which we will make specific recommendations regarding asset allocation and duration strategies based on the decision of the City regarding the allocation of the overall investment portfolio to multiple managers and any changes to the investment policy statement. Our reporting platform allows for the inclusion of a single or multiple performance benchmarks. We will include the selected benchmarks in our reports to the City.

Public Trust will confirm the benchmark utilized (currently the U.S. Treasury closest to the duration of the portfolio) and make a recommendation based on the implemented investment strategy. The correct benchmark selection is an important part of the overall investment program to appropriately measure the performance of the investment portfolio. Two key characteristics for local government investment portfolios are duration and sector allocation. Portfolios with different duration and asset allocation strategies will have differing performance results based on factors such as interest rate movement and supply and demand for specific security sectors (e.g., U.S. Treasury, federal agencies, corporate credit) as well as the maturities within each sector.

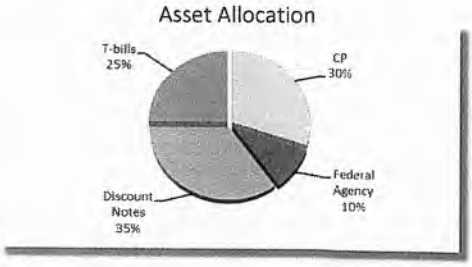
The Public Trust recommended benchmarks will be reflective of the duration and asset allocation of the City's investment portfolios. Bond portfolios and capital projects portfolios may be measured against a money market fund, LGIP or other overnight investment strategy given the nature of buy and hold, asset-liability matching. Portfolios that consist of redundant revenues and expenditures or are reserve or self insurance fund type portfolios are more appropriate for benchmarks that match the characteristics of the investment portfolio given the opportunity to reinvest the proceeds.

PORTFOLIO MANAGEMENT AND BENCHMARK SELECTION PROCESS

Based on our team's experience managing the City's investments and given the current portfolio structure, we believe the City may consider the use of the current benchmark or if an active strategy is desired, utilize an industry wide benchmark. This may include the 1-3 Year U.S. Treasury/Agency Index which contains an allocation to U.S. Treasuries and Federal Instrumentalities. We will make specific benchmark recommendations upon completion of our initial review with the City and based on the City's decision for investment portfolio structure for the external investment managers engaged to manage the City's assets.Ultimately we will recommend a benchmark for each portfolio based on the duration target and asset allocation strategy.



Duration and asset allocation are key components in the selection of the appropriate performance benchmark.



A. Describe your proposed fee arrangements. Please distinguish between investment management fees, trading fees, custody fees, fees for other services and any other charges to which the City may be subject.

SINGLE SOURCE REVENUE SOURCE

Public Trust proposes the following fee structure for our engagement with the City. Public Trust is an independent investment advisor and has no soft dollar arrangements and the only compensation we receive is based on assets under management. The monthly fee would be calculated based on average daily market value. There would be NO charge for cash assets.

Assets Under Management	Fees in Basis Points (bps)
Up to $50 million	6bps (0.06%)
+ $50mm	5bps (0.05%)

PUBLIC TRUST PRICING ADVANTAGE

- Single fee based on assets under management
- Independent investment management firm
- Full treasury management service approach
- **No conflicts of interest related to compensation from other services provided to the City**
- Experienced investment advisor relationship professionals
- Dedicated portfolio managers with significant experience managing investment portfolio is accordance with local, state and federal regulations
- Trade ticket provided to custodian with transaction details and reconciliation with settlement within the custody account
- Trades are reflected on-line within the Client's portfolio holdings. All portfolio statistics are updated based on previous day's trades to reflect current portfolio characteristics

NO ADDITIONAL FEES FOR PROPOSED SERVICES FROM PUBLIC TRUST

There would not be any additional expenses for the services proposed from Public Trust in order to implement the City's investment management program. There may be additional fees from the City's bank/custodian which may include wire transfer or other bank fees that may be assessed.

Public Trust offers to negotiate paying a portion or all of the custodian fees for Public Trust managed assets based on final investment agreement terms.

B. Describe the scope of services provided with the proposed fee schedule.

FULL SERVICE APPROACH FOR THE CITY'S INVESTMENT AND CASH MANAGEMENT DECISIONS

Public Trust's approach to providing investment advisory services for our clients is to serve as an extension of staff and be considered an internal resource for City staff. We believe this approach enhances our clients' cash and investment management programs through efficiency and effectiveness. Our firm only manages fixed income assets for our public entity clients. Our portfolio managers' expertise is in managing portfolios consisting of U.S. Treasuries, Federal Agencies and investment grade corporate issues, where permitted, within the short term area of the yield curve with average portfolio maturities from overnight strategies with local government investment pools to the 1-10 year area of the yield curve.

BENEFITS OF THE FULL TREASURY MANAGEMENT SCOPE APPROACH

- **More Efficient Investment Strategies**
  - ✓ Cash flow analysis results in better understanding of liquidity needs
  - ✓ Holistic approach diversifies assets into multiple duration strategies
- **Knowledge of Overall Program**
  - ✓ Internal staff knowledge as a result of full-time Public Trust resources dedicated to the investment program,
  - ✓ Strong understanding from Public Trust as a result of continuous communication
- **Analytical and Technical Resources**
  - ✓ The City will have direct access to portfolio managers, credit research professionals and investment advisors

Doc #979543

Public Trust Advisors, LLC
Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Public Trust Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (303) 726-2279 or by email at: randy.palomba@publictrustadvisors.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Public Trust Advisors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Public Trust Advisors, LLC's CRD number is: 159189.

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Registration does not imply a certain level of skill or training.

Version Date: 2/2/2012

Item 2: Material Changes

There are no material changes to report.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Public Trust Advisors, LLC is a Limited Liability Company organized in the state of Colorado.

This firm has been in business since September of 2011, and the principal owners are Randy Scott Palomba and Gregory Stuart Wright.

B. Types of Advisory Services

Public Trust Advisors, LLC (hereinafter "PTA") offers the following services to advisory clients:

Investment Supervisory Services

PTA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. PTA creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

PTA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. PTA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Services Limited to Specific Types of Investments

PTA generally limits its money management to fixed income, bonds and government securities. PTA may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

PTA offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may not impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. PTA DOES NOT participate in any wrap fee programs.

E. Amounts Under Management

PTA is a newly formed investment advisory firm, as such; its current assets under management are not yet reported.

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
All Assets Under Management	0.12%

These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid monthly in arrears, and clients may terminate their contracts with thirty days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within five business days of signing the advisory contract. Advisory fees are withdrawn directly from the client's accounts with client written authorization. In cases where client's fees are not withdrawn by the custodian, Advisor will send invoice directly to clients and payment will be made to the Advisor via check.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid monthly in arrears.

Advisory fees may also be invoiced and billed directly to the client with payments due upon receipt of the invoice. Clients may select the method in which they are billed.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by PTA. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

PTA collects its fees in arrears. It does not collect fees in advance.

E. Outside Compensation For the Sale of Securities to Clients

Neither PTA nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-By-Side Management

PTA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

PTA generally provides management supervisory services to states or municipal government entities.

Minimum Account Size

There is no account minimum.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

PTA's methods of analysis include charting analysis, fundamental analysis, and technical analysis.

Charting analysis involves the use of patterns in performance charts. PTA uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Investment Strategies

PTA uses short-term buying and holding strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Methods of Analysis

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Investment Strategies

Short term buying and holding generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

PTA generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

Treasury Inflation Protected/Inflation Linked Bonds: The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

Fixed Income is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

Debt securities carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

Short term trading risks include liquidity, economic stability and inflation.

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither PTA nor its representatives are registered as or have pending applications to become a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither PTA nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither PTA nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

PTA does not utilize nor select other advisors or third party managers. All assets are managed by PTA management.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Business Conduct Standard, who is subject to the code, Securities Holdings and Transaction Reports, Pre-Approval for Certain Securities Transactions, Insider Trading Policy, Outside Business Activities, Gifts and Other Matters Where There is Potential for a Conflict of Interest, Confidentiality, Record Keeping for the Code of Ethics, Training and Annual Certification and Compliance with Laws and Regulations. Our Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

PTA does not recommend that clients buy or sell any security in which a related person to PTA or PTA has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

PTA will not buy or sell securities for themselves that they also recommend to clients.

D. Trading Securities At/Around the Same Time as Clients' Securities

PTA will not buy or sell securities for themselves at or around the same time as clients.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian, Wells Fargo, was chosen based on their relatively low transaction fees and their ability to perform their required duties. The choice of Custodian will be subject to periodic review by PTA.

1. Research and Other Soft-Dollar Benefits

PTA does not have any Soft Dollar arrangements.

2. *Brokerage for Client Referrals*

PTA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

PTA does not allow clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

PTA maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing PTA the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

If there is insufficient supply or demand for a block trade, the securities that PTA is able to purchase through such block trade will be allocated on a proportional basis across PTA client accounts participating in such block trade.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed periodically on a regular basis (at least monthly) by Randy Scott Palomba, Co-President. Randy Scott Palomba is the chief advisor and is instructed to review clients' accounts with regards to their investment policies, risk tolerance levels and allocations. All accounts at PTA are assigned to this reviewer.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive at least monthly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

PTA does not receive any economic benefit, directly or indirectly from any third party for advice rendered to PTA clients.

B. Compensation to Non – Advisory Personnel for Client Referrals

Except for employees, PTA does not directly or indirectly compensate any person for client referrals.

Item 15: Custody

PTA has no custody of client's assets.

Item 16: Investment Discretion

The client may provide PTA discretionary authority via a limited power of attorney in the Investment Advisory Contract.

Item 17: Voting Client Securities (Proxy Voting)

PTA will not ask for, nor accept voting authority for client securities. Further, the types of securities purchased for clients' accounts are non-equity securities and thus will not need to be voted.

Item 18: Financial Information

A. Balance Sheet

PTA does not solicit prepayment of fees.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither PTA nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

PTA has not been the subject of a bankruptcy petition in the last ten years.

Client#: 24311 PUBTR

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 04/23/2012

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
Rust Insurance Agency, LLC
910 17th Street, N.W.
Washington, DC 20006
202 776-5000

CONTACT NAME: Sharon Thomas
PHONE (A/C, No, Ext): 202 776-5015 FAX (A/C, No): 202 776-1288
E-MAIL ADDRESS:
PRODUCER CUSTOMER ID #:

INSURED
Public Trust Advisors, LLC
999 18th Street, Suite 1230
Denver, CO

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : CNA Insurance Company	
INSURER B : Travelers Property Casualty	
INSURER C : Chubb & Son	
INSURER D :	
INSURER E :	
INSURER F :	

COVERAGES CERTIFICATE NUMBER: 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	
A	GENERAL LIABILITY			4031227927	11/21/2011	11/21/2012	EACH OCCURRENCE	$1,000,000
	X COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	$300,000
	CLAIMS-MADE X OCCUR						MED EXP (Any one person)	$10,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$2,000,000
								$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS						BODILY INJURY (Per accident)	$
	SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident)	$
	HIRED AUTOS							$
	NON-OWNED AUTOS							$
A	X UMBRELLA LIAB OCCUR			4031228043	11/21/2011	11/21/2012	EACH OCCURRENCE	$3,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$3,000,000
	DEDUCTIBLE							$
	X RETENTION $ 10000							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WC431185470	11/21/2011	11/21/2012	X WC STATU-TORY LIMITS OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
B	Professional			14P01430	01/01/2012	01/01/2013	$5,000,000-$250,000 Ded	
C	Excess			82248573	01/01/2012	01/01/2013	$5,000,000.	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Professional Liablity Policy 14P01430 includes the following Coverage:
Directors & Officers Liability $1,000,000. with a $150,000. Deductible
Employment Practices Liability $1,000,000. with a $150,000. Deductible

CERTIFICATE HOLDER

INSURANCE VERIFICATION

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

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PUBLIC TRUST ADVISORS

Sample Client Investment Report for Month Ended January 31, 2013

Public Trust Advisors LLC
4767 New Broad Street
Orlando, FL 32814

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Sample Client Investment Portfolio Summary

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Investment Management Portfolio Review	
Investment Portfolio Summary Comparison	3
Investment Portfolio Maturity Distribution	4
Investment Portfolio Rating Distribution	5
Investment Portfolio Security Distribution	6
Portfolio Holding Details	7

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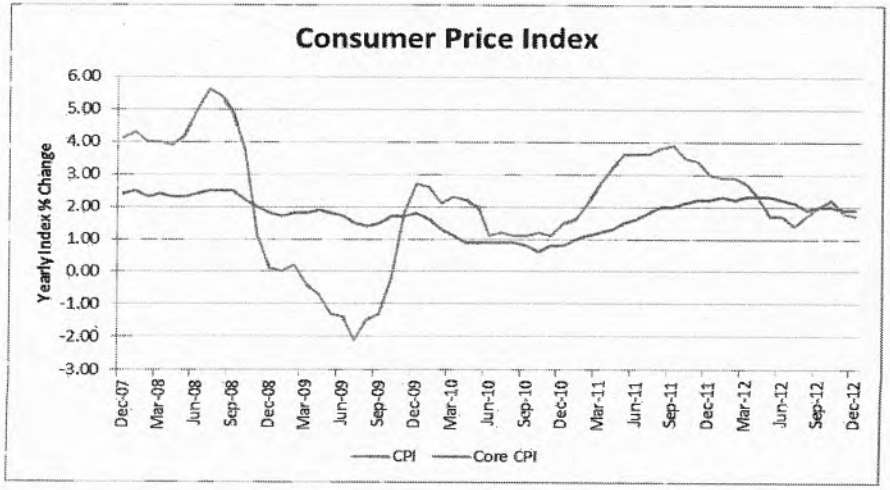
Sample Client Investment Portfolio Summary Comparison for the period January 1, 2013 to January 31, 2013

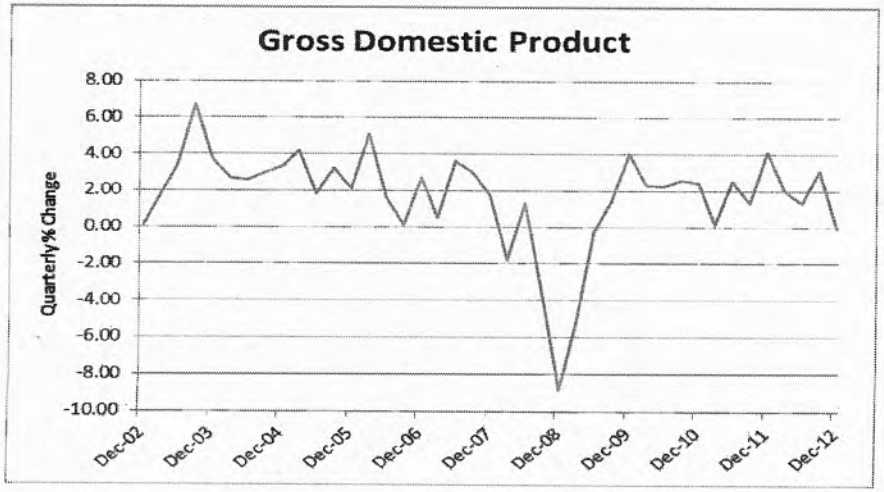
Investment Portfolio	Beginning Balance December 31, 2012	Ending Balance January 31, 2013
Book Value	$ 112,360,252.32	$ 117,346,273.12
Accrued Interest	276,464.92	171,374.62
Book Value Plus Accrued	**$ 112,636,717.25**	**$ 117,517,647.73**
Net Unrealized Gain/Loss	449,726.13	330,950.89
Market Value Plus Accrued	**$ 113,086,443.37**	**$ 117,848,598.62**

Investment Portfolio	Beginning Net Income	Ending Net Income
Interest Income	$ 761,879.35	$ 76,229.14
Net Amortization/Accretion	(188,099.84)	(12,978.33)
Net Realized Gain/Loss	5,121.64	0.00
Net Income	**$ 578,901.16**	**$ 63,250.81**

Portfolio Characteristic	December 31, 2012	January 31, 2013
Book Yield Gross	**0.67%**	**0.66%**
Book Yield Net	**0.61%**	**0.60%**
Market Yield Gross	**0.30%**	**0.36%**
Market Yield Net	**0.24%**	**0.30%**
Weighted Average Coupon	**0.81%**	**0.80%**
Duration	**1.61 Years**	**1.74 Years**
Weighted Effective Maturity	**1.40 Years**	**1.29 Years**
Weighted Final Maturity	**2.33 Years**	**2.27 Years**

Portfolio Compliance		Compliant
Security Distribution		**YES**
Maturity Distribution		**YES**
Rating Distribution		**YES**





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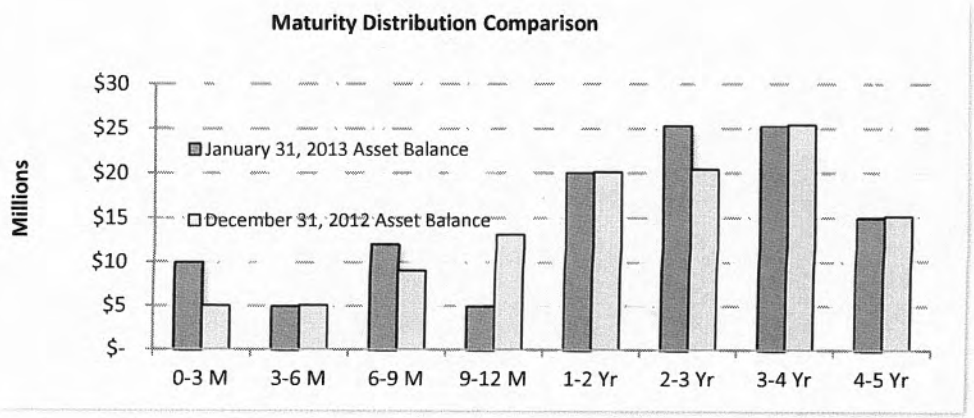
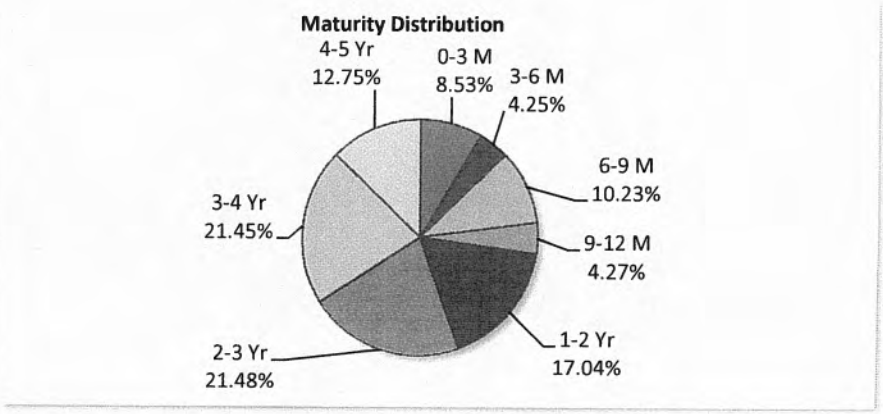
Sample Client Investment Portfolio Maturity Distribution January 1, 2013 to January 31, 2013

Maturity Distribution	December 31, 2012 Asset Balance	January 31, 2013 Asset Balance	Portfolio Allocation	Distribution Change
0-3 Months	$ 5,017,644.12	$ 10,057,286.55	8.53%	4.10%
3-6 Months	5,038,596.41	5,007,160.36	4.25%	-0.21%
6-9 Months	9,021,974.27	12,055,158.33	10.23%	2.25%
9-12 Months	13,064,887.13	5,030,225.60	4.27%	-7.28%
1-2 Years	20,090,018.46	20,079,961.48	17.04%	-0.73%
2-3 Years	20,394,353.99	25,310,471.42	21.48%	3.44%
3-4 Years	25,353,630.81	25,282,279.30	21.45%	-0.97%
4-5 Years	15,105,338.18	15,026,055.59	12.75%	-0.61%
5-6 Years	-	-	0.00%	0.00%
6 Years +	-	-	0.00%	0.00%
Total Portfolio	**$ 113,086,443.37**	**$ 117,848,598.62**	**100.00%**	



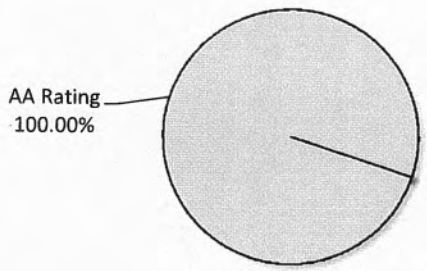


PUBLIC TRUST ADVISORS

Sample Client Investment Portfolio Rating Distribution Jan 1, 2013 to Jan 31, 2013

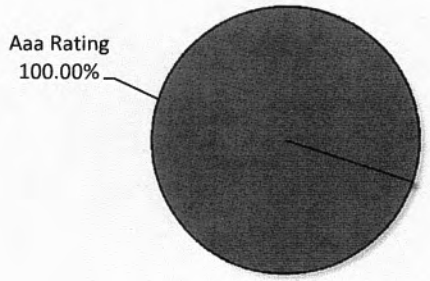
S&P Rating Distribution	January 31, 2013 Asset Balance	Portfolio Allocation
Short Term Rating Distribution		
A-1+	$ -	0.00%
A-1	-	0.00%
Total Short Term Ratings	**$ -**	0.00%
Long Term Rating Distribution		
AAA Rating	$ -	0.00%
AA Rating	117,848,598.62	100.00%
A Rating	-	0.00%
Below A or Not Rated	-	0.00%
Total Long Term Rating	**$ 117,848,598.62**	100.00%
Total Portfolio	**$ 117,848,598.62**	**100.00%**

Portfolio Allocation By Standard and Poors' Rating



Moody's Rating Distribution	January 31, 2013 Asset Balance	Portfolio Allocation
Short Term Rating Distribution		
P-1	$ -	0.00%
P-2	-	0.00%
Total Short Term Ratings	**$ -**	0.00%
Long Term Rating Distribution		
Aaa Rating	$ 117,848,598.62	100.00%
Aa Rating	-	0.00%
A Rating	-	0.00%
Below A or Not Rated	-	0.00%
Total Long Term Rating	**$ 117,848,598.62**	100.00%
Total Portfolio	**$ 117,848,598.62**	**100.00%**

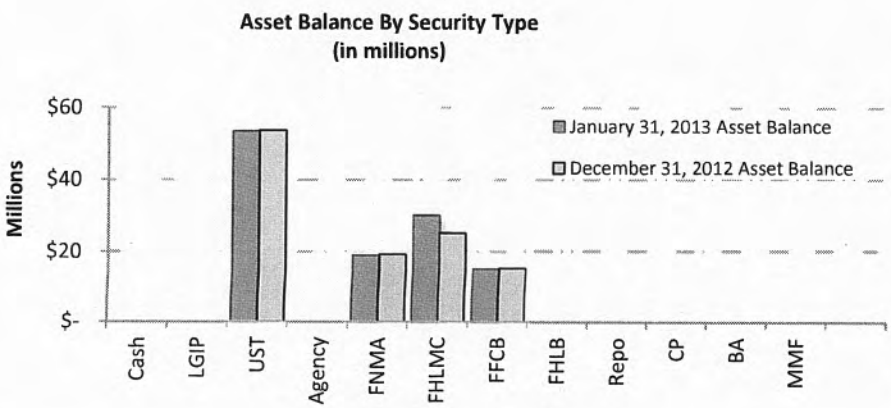
Portfolio Allocation By Moody's Rating

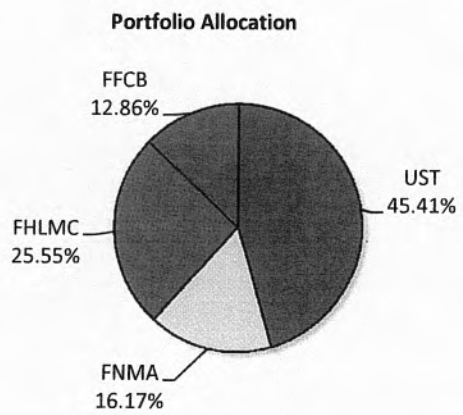


PUBLIC TRUST ADVISORS

Sample Client Investment Portfolio Security Distribution January 1, 2013 to January 31, 2013

Security Distribution	December 31, 2012 Asset Balance	Portfolio Allocation	January 31, 2013 Asset Balance	Portfolio Allocation	Permitted by Policy	Compliant
Cash	$ 0.84	0.00%	$ -	0.00%	100.00%	YES
LGIP	-	0.00%	-	0.00%	100.00%	YES
U.S. Treasury Notes	53,635,100.34	47.43%	53,518,143.01	45.41%	100.00%	YES
U.S. Agency Notes	-	0.00%	-	0.00%	100.00%	YES
FNMA	19,092,505.97	16.88%	19,059,607.14	16.17%	100.00%	YES
FHLMC	25,151,869.94	22.24%	30,114,843.40	25.55%	100.00%	YES
FFCB	15,206,966.24	13.45%	15,156,005.08	12.86%	100.00%	YES
FHLB	-	0.00%	-	0.00%	100.00%	YES
Repurchase Agreement	-	0.00%	-	0.00%	100.00%	YES
Commercial Paper	-	0.00%	-	0.00%	100.00%	YES
Bankers Acceptances	-	0.00%	-	0.00%	100.00%	YES
Money Market Funds	0.04	0.00%	-	0.00%	100.00%	YES
Certificates of Deposit	-	0.00%	-	0.00%	100.00%	YES
Total Portfolio	**$ 113,086,443.37**	**100.00%**	**$ 117,848,598.62**	**100.00%**		





PUBLIC TRUST ADVISORS

Sample Client Investment Portfolio Detail

Portfolio Holdings

Portfolio Income

Portfolio Transactions

Issuer Concentration

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Holdings Report

Currency: [USD] As of 1/31/2013

Dated: 2/6/2013

Description Identifier Security Type Coupon	Effective Maturity Final Maturity Callable Next Call Date	Original Cost Current Units Market Price	Trade Date Settle Date	Moodys Rating S&P Rating Fitch Rating	Book Value Net Unrealized Gain/Loss	Market Value Accrued Balance	Market Value + Accrued
FANNIE MAE 3135G0BR3 AGCY BOND 0.500	08/09/2013 08/09/2013 N ---	3,994,040.00 4,000,000.00 100.185	07/28/2011 07/29/2011	Aaa AA+ AAA	3,998,459.88 8,924.45	4,007,384.33 9,555.56	4,016,939.89
FANNIE MAE 3135G0LL5 AGCY BOND 0.550	06/04/2013 12/04/2014 Y 06/04/2013	5,000,000.00 5,000,000.00 100.108	06/06/2012 06/07/2012	Aaa AA+ AAA	5,000,000.00 5,404.84	5,005,404.84 4,354.17	5,009,759.01
FANNIE MAE 3135G0MK6 AGCY BOND 1.200	07/17/2013 07/17/2017 Y 07/17/2013	5,020,600.00 5,000,000.00 100.294	07/25/2012 07/26/2012	Aaa AA+ AAA	5,009,707.72 5,017.19	5,014,724.91 2,333.33	5,017,058.24
FANNIE MAE 3136G0J77 AGCY BOND 0.600	10/17/2013 10/17/2017 Y 10/17/2013	4,999,000.00 5,000,000.00 100.144	09/21/2012 10/17/2012	Aaa AA+ AAA	5,007,878.49 -695.16	5,007,183.33 8,666.67	5,015,850.00
FEDERAL FARM CREDIT BANK 3133EAJ33 AGCY BOND 0.730	08/15/2013 08/15/2016 Y 08/15/2013	4,986,250.00 5,000,000.00 100.028	08/15/2012 08/16/2012	Aaa AA+ AAA	4,987,807.72 13,612.25	5,001,419.97 16,830.56	5,018,250.52
FEDERAL FARM CREDIT BANK 31331KSA9 AGCY BOND 1.350	07/20/2015 07/20/2015 N ---	5,043,850.00 5,000,000.00 102.243	08/02/2011 08/03/2011	Aaa AA+ AAA	5,027,520.58 84,641.62	5,112,162.20 2,062.50	5,114,224.70
FEDERAL FARM CREDIT BANK 3133EAGG7 AGCY BOND 1.000	03/08/2013 03/08/2016 Y 03/08/2013	5,012,500.00 5,000,000.00 100.073	05/03/2012 05/08/2012	Aaa AA+ AAA	5,001,453.09 2,215.66	5,003,668.74 19,861.11	5,023,529.85
FREDDIE MAC 3137EACL1 AGCY BOND 0.875	10/28/2013 10/28/2013 N ---	5,031,350.00 5,000,000.00 100.516	10/22/2010 10/25/2010	Aaa AA+ AAA	5,007,735.06 18,063.44	5,025,798.49 11,302.08	5,037,100.58
FREDDIE MAC 3134G3ZH6 AGCY BOND 1.000	07/25/2014 07/25/2017 Y 07/25/2014	5,009,800.00 5,000,000.00 99.846	07/30/2012 07/31/2012	Aaa AA+ AAA	5,007,333.85 -15,019.83	4,992,314.02 833.33	4,993,147.35
FREDDIE MAC 3134G3L40 AGCY BOND 0.600	10/04/2013 04/04/2016 Y 10/04/2013	5,000,000.00 5,000,000.00 100.051	09/13/2012 10/04/2012	Aaa AA+ AAA	5,000,000.00 2,535.62	5,002,535.62 9,750.00	5,012,285.62
FREDDIE MAC 3137EADD8 AGCY BOND 0.500	04/17/2015 04/17/2015 N ---	5,008,400.00 5,000,000.00 100.388	08/09/2012 08/10/2012	Aaa AA+ AAA	5,006,908.16 12,499.48	5,019,407.64 7,222.22	5,026,629.86
FREDDIE MAC 3134G3Y20 AGCY BOND 0.500	11/27/2013 11/27/2015 Y 11/27/2013	4,999,000.00 5,000,000.00 100.041	01/28/2013 01/29/2013	Aaa AA+ AAA	4,999,003.01 3,045.67	5,002,048.68 4,444.44	5,006,493.13
FREDDIE MAC 3137EACJ6 AGCY BOND 1.625	04/15/2013 04/15/2013 N ---	5,083,100.00 5,000,000.00 100.305	03/23/2011 03/24/2011	Aaa AA+ AAA	5,008,148.52 7,114.73	5,015,263.25 23,923.61	5,039,186.86

PUBLIC TRUST ADVISORS

Holdings Report

Currency: [USD] As of 1/31/2013

Dated: 2/6/2013

Description Identifier Security Type Coupon	Effective Maturity Final Maturity Callable Next Call Date	Original Cost Current Units Market Price	Trade Date Settle Date	Moodys Rating S&P Rating Fitch Rating	Book Value Net Unrealized Gain/Loss	Market Value Accrued Balance	Market Value + Accrued
US TREASURY N/B 912828RU6 US GOV 0.875	11/30/2016 11/30/2016 N ---	5,059,960.90 5,000,000.00 101.025	12/18/2012 12/19/2012	Aaa AA+ AAA	5,058,143.78 -6,891.03	5,051,252.75 7,572.12	5,058,824.87
US TREASURY N/B 912828RB8 US GOV 0.500	08/15/2014 08/15/2014 N ---	5,026,171.88 5,000,000.00 100.429	08/12/2011 08/15/2011	Aaa AA+ AAA	5,013,449.38 7,987.44	5,021,436.82 11,548.91	5,032,985.74
US TREASURY N/B 912828QL7 US GOV 0.750	03/31/2013 03/31/2013 N ---	4,994,921.88 5,000,000.00 100.106	03/30/2011 03/31/2011	Aaa AA+ AAA	4,999,592.99 5,731.97	5,005,324.96 12,774.73	5,018,099.69
US TREASURY N/B 912828TT7 US GOV 0.250	10/15/2015 10/15/2015 N ---	4,976,757.80 5,000,000.00 99.681	10/19/2012 10/22/2012	Aaa AA+ AAA	4,978,931.80 5,111.14	4,984,042.94 3,743.13	4,987,786.07
US TREASURY N/B 912828RK8 US GOV 0.125	09/30/2013 09/30/2013 N ---	2,992,031.25 3,000,000.00 99.995	09/30/2011 10/03/2011	Aaa AA+ AAA	2,997,357.87 2,482.52	2,999,840.39 1,277.47	3,001,117.86
US TREASURY N/B 912828RA0 US GOV 0.375	06/30/2013 06/30/2013 N ---	4,989,843.75 5,000,000.00 100.110	06/30/2011 07/05/2011	Aaa AA+ AAA	4,997,888.13 7,614.78	5,005,502.91 1,657.46	5,007,160.36
US TREASURY N/B 912828PL8 US GOV 0.750	12/15/2013 12/15/2013 N ---	4,963,281.25 5,000,000.00 100.506	12/09/2010 12/15/2010	Aaa AA+ AAA	4,989,264.30 36,016.25	5,025,280.55 4,945.05	5,030,225.60
US TREASURY N/B 912828RG7 US GOV 0.250	09/15/2014 09/15/2014 N ---	4,983,593.75 5,000,000.00 100.029	09/15/2011 09/16/2011	Aaa AA+ AAA	4,991,132.75 10,293.32	5,001,426.07 4,799.72	5,006,225.80
US TREASURY N/B 912828QU7 US GOV 0.625	07/15/2014 07/15/2014 N ---	5,040,234.40 5,000,000.00 100.590	08/23/2011 08/24/2011	Aaa AA+ AAA	5,020,270.76 9,252.64	5,029,523.40 1,467.54	5,030,990.94
US TREASURY N/B 912828NP1 US GOV 1.750	07/31/2015 07/31/2015 N ---	5,223,828.13 5,000,000.00 103.502	08/10/2011 08/11/2011	Aaa AA+ AAA	5,141,420.03 33,675.92	5,175,095.95 241.71	5,175,337.66
US TREASURY N/B 912828QX1 US GOV 1.500	07/31/2016 07/31/2016 N ---	5,136,718.75 5,000,000.00 103.384	08/10/2011 08/11/2011	Aaa AA+ AAA	5,096,865.24 72,316.01	5,169,181.25 207.18	5,169,388.43
--- **---** **---** **---**	**05/18/2014** **05/10/2015** **---** **---**	**117,575,233.73** **117,000,000.00** **---**	**---** **---**	**Aaa** **AA+** **AAA**	**117,346,273.12** **330,950.89**	**117,677,224.01** **171,374.62**	**117,848,598.62**

PUBLIC TRUST ADVISORS

Income Detail Report

Currency: [USD] 1/1/2013 - 1/31/2013

Dated: 2/6/2013

Identifier Description	Final Maturity	Current Units	Earned Interest Income	Realized Gain Realized Loss	Accretion Income	Amortization Expense	Net Earned Income	Interest Payment Received Ending Interest Due
31331KSA9 FEDERAL FARM CREDIT BANK	07/20/2015	5,000,000.00	5,625.00	0.00 0.00	0.00	-931.93	4,693.07	33,750.00 0.00
3133EAGG7 FEDERAL FARM CREDIT BANK	03/08/2016	5,000,000.00	4,166.67	0.00 0.00	0.00	-1,287.02	2,879.65	0.00 0.00
3133EAJ33 FEDERAL FARM CREDIT BANK	08/15/2016	5,000,000.00	3,041.67	0.00 0.00	285.74	0.00	3,327.40	0.00 0.00
3134G3L40 FREDDIE MAC	04/04/2016	5,000,000.00	2,500.00	0.00 0.00	0.00	0.00	2,500.00	0.00 0.00
3134G3Y20 FREDDIE MAC	11/27/2015	5,000,000.00	138.89	0.00 0.00	3.01	0.00	141.90	0.00 0.00
3134G3ZH6 FREDDIE MAC	07/25/2017	5,000,000.00	4,166.67	0.00 0.00	0.00	-415.00	3,751.66	25,000.00 0.00
3135G0BR3 FANNIE MAE	08/09/2013	4,000,000.00	1,666.67	0.00 0.00	247.98	0.00	1,914.65	0.00 0.00
3135G0LL5 FANNIE MAE	12/04/2014	5,000,000.00	2,291.67	0.00 0.00	0.00	0.00	2,291.67	0.00 0.00
3135G0MK6 FANNIE MAE	07/17/2017	5,000,000.00	5,000.00	0.00 0.00	0.00	-1,792.87	3,207.13	30,000.00 0.00
3136G0J77 FANNIE MAE	10/17/2017	5,000,000.00	2,500.00	0.00 0.00	2,572.27	0.00	5,072.27	0.00 0.00
3137EACJ6 FREDDIE MAC	04/15/2013	5,000,000.00	6,770.83	0.00 0.00	0.00	-3,460.33	3,310.50	0.00 0.00
3137EACL1 FREDDIE MAC	10/28/2013	5,000,000.00	3,645.83	0.00 0.00	0.00	-892.71	2,753.12	0.00 0.00
3137EADD8 FREDDIE MAC	04/17/2015	5,000,000.00	2,083.33	0.00 0.00	0.00	-265.37	1,817.96	0.00 0.00
38141W265 GOLDMAN SACHS FIN SQ GOVT-AD	—	0.00	0.00	0.00 0.00	0.00	0.00	0.00	0.84 0.00
912828NP1 US TREASURY N/B	07/31/2015	5,000,000.00	7,374.86	0.00 0.00	0.00	-4,730.26	2,644.61	43,750.00 0.00
912828PL8 US TREASURY N/B	12/15/2013	5,000,000.00	3,193.68	0.00 0.00	1,050.16	0.00	4,243.85	0.00 0.00
912828QL7 US TREASURY N/B	03/31/2013	5,000,000.00	3,193.68	0.00 0.00	217.54	0.00	3,411.22	0.00 0.00
912828QU7 US TREASURY N/B	07/15/2014	5,000,000.00	2,656.40	0.00 0.00	0.00	-1,182.85	1,473.55	15,625.00 0.00
912828QX1 US TREASURY N/B	07/31/2016	5,000,000.00	6,321.31	0.00 0.00	0.00	-2,291.52	4,029.79	37,500.00 0.00
912828RA0 US TREASURY N/B	06/30/2013	5,000,000.00	1,605.66	0.00 0.00	439.38	0.00	2,045.05	0.00 0.00
912828RB8 US TREASURY N/B	08/15/2014	5,000,000.00	2,105.98	0.00 0.00	0.00	-734.30	1,371.68	0.00 0.00
912828RG7 US TREASURY N/B	09/15/2014	5,000,000.00	1,070.44	0.00 0.00	468.32	0.00	1,538.76	0.00 0.00
912828RK8 US TREASURY N/B	09/30/2013	3,000,000.00	319.37	0.00 0.00	340.94	0.00	660.31	0.00 0.00

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Income Detail Report

Currency: [USD] 1/1/2013 - 1/31/2013

Dated: 2/6/2013

Identifier Description	Final Maturity	Current Units	Earned Interest Income	Realized Gain Realized Loss	Accretion Income	Amortization Expense	Net Earned Income	Interest Payment Received Ending Interest Due
912828RU6 US TREASURY N/B	11/30/2016	5,000,000.00	3,725.96	0.00 0.00	0.00	-1,280.24	2,445.72	0.00 0.00
912828TT7 US TREASURY N/B	10/15/2015	5,000,000.00	1,064.56	0.00 0.00	660.73	0.00	1,725.29	0.00 0.00
--- **---**	**05/10/2015**	**117,000,000.00**	**76,229.14**	**0.00** **0.00**	**6,286.07**	**-19,264.40**	**63,250.81**	**185,625.84** **0.00**

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Transactions Realized GL Report

Currency: [USD] 1/1/2013 - 1/31/2013

Dated: 2/6/2013

Account	Identifier Description	Current Units	Type	Trade Date Settle Date	Price	Principal	Realized Gain/Loss	Amount
Larimer County	38141W265 GOLDMAN SACHS FIN SQ GOVT-AD	0.84	BUY	01/02/2013 01/02/2013	1.000	0.84	0.00	-0.84
Larimer County	38141W265 GOLDMAN SACHS FIN SQ GOVT-AD	-0.88	SELL	01/10/2013 01/10/2013	1.000	-0.88	0.00	0.88
Larimer County	3134G3Y20 FREDDIE MAC	5,000,000.00	BUY	01/28/2013 01/29/2013	99.980	4,999,000.00	0.00	-5,003,305.56
---	--- ---	**4,999,999.96**	---	--- ---	---	**4,998,999.96**	**0.00**	**-5,003,305.52**

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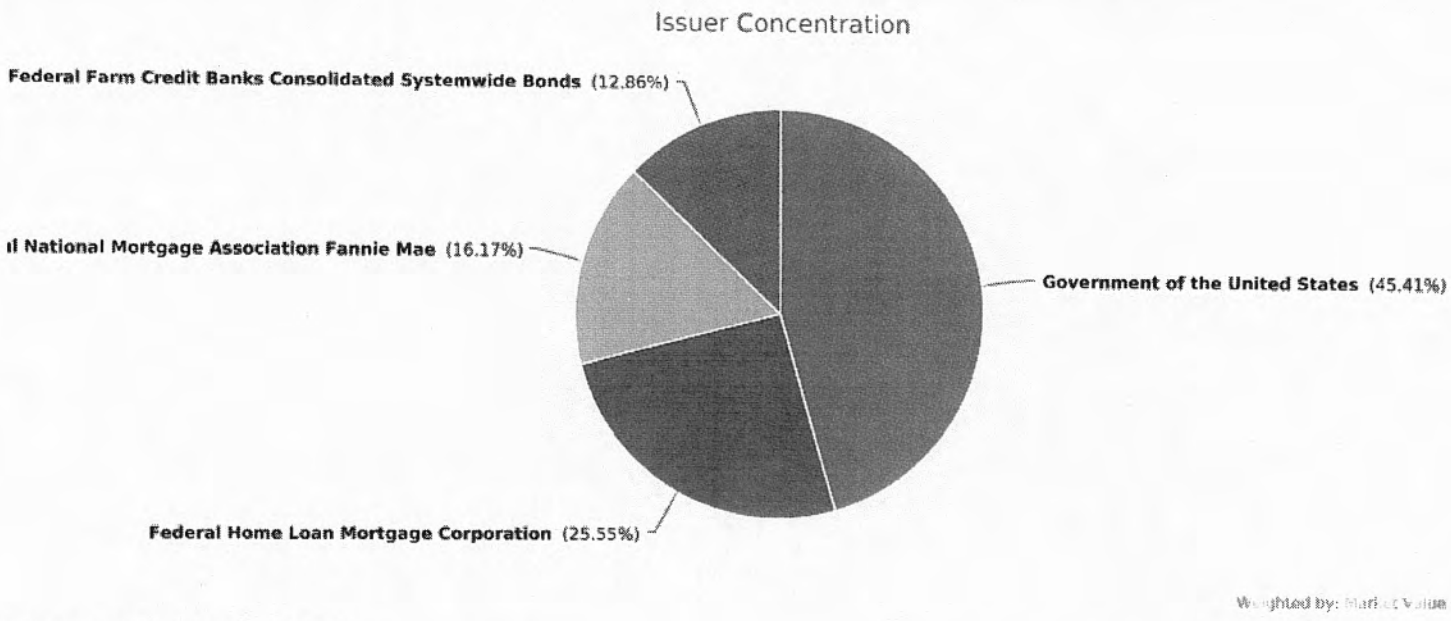
Issuer Concentration/GASB 40 Report

Currency: [USD] As of 1/31/2013

Dated: 2/6/2013



Weighted by: Market Value + Accrued

Federal Farm Credit Banks Consolidated Systemwide Bonds

Identifier Description	*Issuer Concentration*	*Effective Maturity Final Maturity*	*Current Units*	*Market Value + Accrued*
31331KSA9 FEDERAL FARM CREDIT BANK	Federal Farm Credit Banks Consolidated Systemwide Bonds	07/20/2015 07/20/2015	5,000,000.00	5,114,224.70
3133EAGG7 FEDERAL FARM CREDIT BANK	Federal Farm Credit Banks Consolidated Systemwide Bonds	03/08/2013 03/08/2016	5,000,000.00	5,023,529.85
3133EAJ33 FEDERAL FARM CREDIT BANK	Federal Farm Credit Banks Consolidated Systemwide Bonds	08/15/2013 08/15/2016	5,000,000.00	5,018,250.52
--- ---	---	**02/15/2014 02/11/2016**	**15,000,000.00**	**15,156,005.08**

Federal National Mortgage Association Fannie Mae

Identifier Description	*Issuer Concentration*	*Effective Maturity Final Maturity*	*Current Units*	*Market Value + Accrued*
3135G0BR3 FANNIE MAE	Federal National Mortgage Association Fannie Mae	08/09/2013 08/09/2013	4,000,000.00	4,016,939.89
3135G0LL5 FANNIE MAE	Federal National Mortgage Association Fannie Mae	06/04/2013 12/04/2014	5,000,000.00	5,009,759.01
3135G0MK6 FANNIE MAE	Federal National Mortgage Association Fannie Mae	07/17/2013 07/17/2017	5,000,000.00	5,017,058.24

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Issuer Concentration/GASB 40 Report

Currency: [USD] As of 1/31/2013

Dated: 2/6/2013

Identifier Description	Issuer Concentration	Effective Maturity Final Maturity	Current Units	Market Value + Accrued
3136G0J77 FANNIE MAE	Federal National Mortgage Association Fannie Mae	10/17/2013 10/17/2017	5,000,000.00	5,015,850.00
--- ---	---	**08/03/2013 02/02/2016**	**19,000,000.00**	**19,059,607.14**

Federal Home Loan Mortgage Corporation

Identifier Description	Issuer Concentration	Effective Maturity Final Maturity	Current Units	Market Value + Accrued
3134G3L40 FREDDIE MAC	Federal Home Loan Mortgage Corporation	10/04/2013 04/04/2016	5,000,000.00	5,012,285.62
3134G3Y20 FREDDIE MAC	Federal Home Loan Mortgage Corporation	11/27/2013 11/27/2015	5,000,000.00	5,006,493.13
3134G3ZH6 FREDDIE MAC	Federal Home Loan Mortgage Corporation	07/25/2014 07/25/2017	5,000,000.00	4,993,147.35
3137EACJ6 FREDDIE MAC	Federal Home Loan Mortgage Corporation	04/15/2013 04/15/2013	5,000,000.00	5,039,186.86
3137EACL1 FREDDIE MAC	Federal Home Loan Mortgage Corporation	10/28/2013 10/28/2013	5,000,000.00	5,037,100.58
3137EADD8 FREDDIE MAC	Federal Home Loan Mortgage Corporation	04/17/2015 04/17/2015	5,000,000.00	5,026,629.86
--- ---	---	**02/07/2014 05/08/2015**	**30,000,000.00**	**30,114,843.40**

Government of the United States

Identifier Description	Issuer Concentration	Effective Maturity Final Maturity	Current Units	Market Value + Accrued
912828NP1 US TREASURY N/B	Government of the United States	07/31/2015 07/31/2015	5,000,000.00	5,175,337.66
912828PL8 US TREASURY N/B	Government of the United States	12/15/2013 12/15/2013	5,000,000.00	5,030,225.60
912828QL7 US TREASURY N/B	Government of the United States	03/31/2013 03/31/2013	5,000,000.00	5,018,099.69
912828QU7 US TREASURY N/B	Government of the United States	07/15/2014 07/15/2014	5,000,000.00	5,030,990.94
912828QX1 US TREASURY N/B	Government of the United States	07/31/2016 07/31/2016	5,000,000.00	5,169,388.43
912828RA0 US TREASURY N/B	Government of the United States	06/30/2013 06/30/2013	5,000,000.00	5,007,160.36
912828RB8 US TREASURY N/B	Government of the United States	08/15/2014 08/15/2014	5,000,000.00	5,032,985.74
912828RG7 US TREASURY N/B	Government of the United States	09/15/2014 09/15/2014	5,000,000.00	5,006,225.80
912828RK8 US TREASURY N/B	Government of the United States	09/30/2013 09/30/2013	3,000,000.00	3,001,117.86

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Issuer Concentration/GASB 40 Report

Currency: [USD] As of 1/31/2013

Dated: 2/6/2013

Identifier Description	*Issuer Concentration*	*Effective Maturity Final Maturity*	*Current Units*	*Market Value + Accrued*
912828RU6 US TREASURY N/B	Government of the United States	11/30/2016 11/30/2016	5,000,000.00	5,058,824.87
912828TT7 US TREASURY N/B	Government of the United States	10/15/2015 10/15/2015	5,000,000.00	4,987,786.07
--- ---	---	**11/18/2014** **11/18/2014**	**53,000,000.00**	**53,518,143.01**

Summary

Identifier Description	*Issuer Concentration*	*Effective Maturity Final Maturity*	*Current Units*	*Market Value + Accrued*
--- ---	---	**05/18/2014** **05/10/2015**	**117,000,000.00**	**117,848,598.62**

* Grouped By: Issuer Concentration

GREG WRIGHT, CHIEF EXECUTIVE OFFICER

GREG.WRIGHT@PUBLICTRUSTADVISORS.COM

Mr. Wright serves as the primary manager with responsibility for strategic client relationships, overall firm operations, compliance, client services, operations and sales and marketing. For over a decade, he has served as COLOTRUST Administrator and previously served as manager and administrator for four other local government investment pools (LGIPs). Mr. Wright heads-up the firm's cash management and local government investment pool product-lines. He holds a Bachelor of Arts (BA) and Masters of Arts (MA) from West Virginia University.

RANDY PALOMBA, CFA, CHIEF INVESTMENT OFFICER

RANDY.PALOMBA@PUBLICTRUSTADVISORS.COM

Randy Palomba is a founding member of Public Trust and is the Chief Financial Officer and Head of Portfolio Management. Mr. Palomba has been managing public funds investments since 1983. He has also been the lead portfolio manager for COLOTRUST since 1996. Prior to founding Public Trust, Mr. Palomba served as portfolio manager for Cutwater Asset Management where he was responsible for managing multiple Local Government Investment Pools including COLOTRUST PLUS+ and COLOTRUST PRIME, Texas CLASS and TrustINdiana. His investment experience includes overnight to longer term duration strategies for public funds. Mr. Palomba graduated from Western State College with a Bachelor of Arts in Accounting and holds the designation of Chartered Financial Analyst.

THOMAS D. JORDAN, PRESIDENT

THOMAS.JORDAN@PUBLICTRUSTADVISORS.COM

Mr. Jordan is the President of Public Trust Advisors, LLC. Public Trust which was founded by a team of experienced investment professionals with a singular concentration to provide relationship-focused, fixed income only investment strategies to our clients.

Prior to joining the firm, Mr. Jordan was the managing director and head of sales and marketing for Cutwater Asset Management, formerly MBIA Asset Management, a diversified $50 billion investment management firm. Mr. Jordan joined the fledging firm in 1991 to help develop more efficient investment programs for state and local governments in order to effectively manage their operating cash and bond proceeds. With over two decades of financial services expertise, Mr. Jordan and his team were responsible for marketing, selling and securing tens of billions of dollars across a broad spectrum of products. Throughout his leadership, he provided nationwide sales management, forward thinking, marketing direction, and strategic counsel which lead the firm to nationwide expansion and profitability.

Mr. Jordan began his financial career in banking working with a myriad of Fortune 500 clients in New York and nationally as a securities specialist, a commercial paper department manager, and a corporate cash management marketing officer. He holds an MBA from Fordham University and earned degrees from Mercy College and the University of New Hampshire. Mr. Jordan is Series 65 Registered Investment through the NASD.

JOHN F. GRADY, III, CTP, MANAGING DIRECTOR

JOHN.GRADY@PUBLICTRUSTADVISORS.COM

John Grady, CTP is responsible for investment advisory services and analytics and manages the client relationship function for Public Trust. Mr. Grady has more than 15 years of government, investment management and public finance experience. Prior to joining Public Trust, Mr. Grady worked as an asset manager and financial advisor with Cutwater Asset Management where he held the position of Vice President for investment advisory and client relationships for government and institutional clients. Mr. Grady

was also a senior managing consultant for PFM Asset Management LLC wherein addition to serving as the primary relationship manager for many investment advisory clients, he developed and enhanced client specific investment and cash flow models. He also served as the Fiscal Administrator for Orange County, Florida. Mr. Grady's specific areas of expertise include providing technical and analytical resources, development of portfolio strategies, and public finance transactions and developing customized cash flow and investment reports. Mr. Grady received a bachelor's degree with Majors in Finance and Insurance and a Minor in Economics from the University of Florida. He also earned a Master of Business Administration degree from the University of Florida's Warrington College of Business. He is Series 7 registered through the Financial Industry Regulatory Authority (FINRA) and holds the designation of Certified Treasury Professional (CTP) through the Association for Financial Professionals.

THOMAS N. TIGHT II, MANAGING DIRECTOR

TOM.TIGHT@PUBLICTRUSTADVISORS.COM

Tom Tight joined Public Trust in April of 2012. Mr. Tight has more than 17 years of investment management and public funds finance experience. His responsibilities include business development, investor relations and client services. He is responsible for client servicing and consultant relations and works closely with our clients' staff to provide analytical resources including cash flow analysis, portfolio strategy recommendations and investment report modeling. He will also serve as liaison between the client and the portfolio management team. Prior to joining Public Trust, Mr. Tight worked at Cutwater Asset Management since July 2002. Prior to joining Cutwater, Mr. Tight worked on the fixed income desks for both UBS PaineWebber and A.G. Edwards & Sons. His specific areas of expertise include fixed income portfolio management, structured fixed income products, and public finance transactions. Mr. Tight received both his bachelor's degree and his master's degree from St. Louis University. He is both Series 7 and 63 registered through the Financial Industry Regulatory Authority (FINRA) and is currently a Level Three candidate for the designation of Chartered Financial Analyst (CFA).

CHRIS DEBOW, MANAGING DIRECTOR

CHRIS.DEBOW@PUBLICTRUSTADVISORS.COM

Chris DeBow joined Public Trust in 2013. Mr. DeBow has more than 15 years of investment experience. Mr. DeBow assists public clients nationwide with their investment management needs. In addition to his national experience Mr. DeBow has also worked with a number of New Mexico public entities. He is familiar with New Mexico statutes regarding public funds investing and has implemented a number of customized solutions within the State.

Prior to joining Public Trust, Mr. DeBow served as Managing Director of RBC Public Fund Services. (RBC Global Asset Management U.S., Inc.) In this role, Mr. DeBow was responsible for public fund sales and servicing nationwide with a particular focus on providing investment solutions in the following states: New Mexico, Arizona, Texas, Colorado, Florida, Ohio, and Alaska among others.

Mr. DeBow regularly presents at a variety of public speaking engagements at various professional organizations. Mr. DeBow has a BA in Economics from the University of Rio Grande and an MBA in Finance from Xavier University. Previously held NASD licenses Series 6, 3, 30, and 65

SHEILA DUFFY
DIRECTOR, HEAD OF CREDIT RESEARCH
SHEILA.DUFFY@PUBLICTRUSTADVISORS.COM

Sheila Duffy serves as the Head of Credit Research and leads Public Trust's credit committee. Ms. Duffy is one of Public Trust's original members and has significant experience in public funds and investment management. Prior to joining Public Trust, Ms. Duffy served the New Mexico State Treasurer as Chief Investment Officer, where she was responsible for the general funds, bond proceeds and Local Government Investment Pool (LGIP) for the State of New Mexico, overseeing total assets under management of $3.5 billion. Ms. Duffy also served as a credit analyst for Standard & Poor's in her role as a Structured Finance Ratings Specialist. She has also held the position of Vice President of Financial Institutional Research with Davis Funds. Ms. Duffy graduated with a Bachelor in Arts from Colby College and holds Master of Business Administration degree from New York University's Stern School of Business.

KAREN PROCTOR, MARKETING DIRECTOR
KAREN.PROCTOR@PUBLICTRUSTADVISORS.COM

Karen Proctor joined Public Trust in November 2012. She has worked in the public sector for over 14 years, the majority of which was providing arbitrage rebate compliance services to tax-exempt entities.At Public Trust, Ms. Proctor's responsibilities include business development for separately managed accounts of public entities, cultivating relationships through attendance at various conferences and regional meetings, educational presentations, and management of client relations specifically in the Southwest.

While at her previous employer, BLX Group LLC, Ms. Proctor was responsible for business development in the Southwest, working with such clients in New Mexico as the State of New Mexico, City of Rio Rancho, Las Cruces Public Schools, Albuquerque Public Schools and New Mexico State University. In addition, she worked very closely with Idaho Housing Finance Association, City of Austin (TX), City of Peoria (AZ), ACTS Retirement Life Communities (PA), and many more.

She was also responsible for client education, preparation of responses to formal proposals, contract preparations and serving as the liaison between client and consultants preparing the arbitrage calculations. She spent the first 6 years of her public finance career preparing the actual arbitrage calculations for numerous tax-exempt obligors across the country. Ms. Proctor prepared well over 2,000 of these analyses. In addition to the arbitrage calculations, Ms. Proctor also assisted clients with their post-issuance compliance requirements.

MATTHEW TIGHT
VICE PRESIDENT, SALES AND MARKETING
MATT.TIGHT@PUBLICTRUSTADVISORS.COM

Matt Tight joined Public Trust as Vice President, Sales and Marketing in March of 2012. Mr. Tight has more than 14 years of investment management and public funds finance experience. His responsibilities include business development, investor relations and client services. He will work closely with our clients' staff to provide analytical resources including cash flow analysis, portfolio strategy recommendations and investment report modeling. He will also serve as liaison between the client and the portfolio management team. Prior to his position at Public Trust, he served as Regional Director of Institutional Sales at Cutwater Asset Management. Mr. Tight held similar roles at Friedman, Billings and Ramsey Inc., and Timber Hill Inc. in New York and Chicago. Mr. Tight received a bachelor's degree from Pepperdine University.

NEIL WAUD, CFA
DIRECTOR, SENIOR PORTFOLIO MANAGEMENT
NEIL.WAUD@PUBLICTRUSTADVISORS.COM

Neil Waud is the Senior Portfolio Manager and joined Public Trust shortly after the founding. He is responsible for the separately managed account program for Public Trust and serves as a primary portfolio manager. Prior to joining Public Trust, Mr. Waud served as a senior portfolio manager for Cutwater Asset Management where he was responsible for managing separately managed accounts nationally and providing support in the management of several Local Government Investment Pools since 1995. Mr. Waud's investment experience includes overnight to longer term duration strategies for public funds. Mr. Waud graduated from the University of Colorado with a Bachelor of Arts in Economics and holds the designation of Chartered Financial Analyst.

MATTHEW STARR, VICE-PRESIDENT SALES AND MARKETING
MATT.STARR@PUBLICTRUSTADVISORS.COM

Matthew Starr joined Public Trust shortly after the firm's formation to better serve his local government clients. For over a decade, he has developed investment programs utilizing his extensive hands-on experience in both sales and marketing. He has significant experience in the development, implementation and administration of the local government investment pool marketplace. Prior to joining Public Trust, Mr. Starr worked with Cutwater Asset Management, formerly MBIA Asset Management. In his tenure he served in a variety of operational and fund accounting rolls later managing the firm's client service center having responsibilities for over 3,000 investment clients.

Through his dedication, he was appointed to serve as Deputy Administrator for five nationally recognized local government investment pools, including COLOTRUST, Texas CLASS and TrustINdiana. Mr. Starr holds a BA in finance from Pace University (NY) and is currently pursuing his MBA.

BARRY HOWSDEN
CHIEF COMPLIANCE OFFICER AND DIRECTOR OF ACCOUNTING AND OPERATIONS
BARRY.HOWSDEN@PUBLICTRUSTADVISORS.COM

Barry Howsden is the Director of Accounting and Operations and Chief Compliance Officer for Public Trust. His role at Public Trust encompasses oversight of the accounting and client services aspects as it relates to the COLOTRUST portfolios and all separately managed accounts. He is also responsible for all compliance matters as it relates to Public Trust and the underlying investment products. Prior to joining Public Trust, he worked as a Vice President for Cutwater Asset Management where he managed the accounting and/or client services group for numerous Pool products. Additional roles entailed compliance aspects, accounting and client servicing for several separately managed products at Cutwater Asset Management. He has over 15 years of experience in various positions tied to mutual funds, investment accounting and client servicing. Barry holds a Bachelor of Arts with emphasis in Managerial Accounting and Finance from Colorado State University.

JAIME RICHARDS
ASST. VICE PRESIDENT
CLIENT SERVICES MANAGER, OPERATIONS AND ACCOUNTING
JAIME.RICHARDS@PUBLICTRUSTADVISORS.COM

Ms. Richards serves as the client service manager for all the firm's managed local government investment pools (LGIPs). She has more than 6 years of investment management and accounting experience having previously worked for a $2 billion hedge fund that provided secured/mezzanine debt financing to middle

market public and private sector companies and handling client operations for five LGIPs nationally. Ms. Richards works with the firm's Chief Compliance Officer and LGIP Sales and Marketing Manager to manage the firm's client servicing operations. She holds a Bachelor of Arts (BA) from the University of Colorado Boulder.

JEN GOSSELIN
ASSISTANT VICE PRESIDENT OF OPERATIONS AND ACCOUNTING
JEN.GOSSELIN@PUBLICTRUSTADVISORS.COM

Jen Gosselin is an Assistant Vice President of Operations and Accounting for Public Trust. Ms. Gosselin brings 17 years of industry experience in fixed income securities for local government entities and servicing local government investment pools. Prior to joining Public Trust, Mrs. Gosselin served with Cutwater Asset Management in an investment compliance role and was responsible documenting and implementing investment policy guidelines for a variety of entities. In addition to her compliance role Jen has extensive experience with trade settlement, repurchase agreements, portfolio oversight and accounting operations. Jen is a Colorado native and graduated from Columbia College with a Bachelors of Science in Accounting.

JEANNIE DUNCANSON
ADVISORY TEAM, CHIEF FINANCIAL OFFICER FUNCTION
Jeannie has held senior international management positions with IBM, Apple Computer and Silicon Graphics. She began her career at IBM serving in positions in strategic contract negotiations, cost accounting & Division Planning Manager. She spent a number of years working at Apple Computer Europe's Headquarters in Paris. While there she held positions as the Senior Manager for Financial Planning and Reporting and was the finance lead on a European Site Selection Group tasked with all aspects of the expansion strategy for distribution operations in Europe.

She held numerous Finance Director positions at Silicon Graphics, Inc. including oversight of the implementation of Sarbanes-Oxley compliance. As the Senior Director of the International Finance Group all Overseas Country Controller's reported to her. She also held positions as a Product & Software Division Controller. While working for Silicon Graphics she also served in the capacity of Corporate Reporting Manager overseeing merger & acquisition activities. This position reported to the Chief Technical Accountant. She also served as the project lead for technical accounting, assimilation of the finance functions, as well as the IT integration between acquired companies and the parent company.

Jeannie currently has clients in privately held high tech and not-for profit sectors acting as these organizations CFO. She previously has been the CFO at several Venture Capital backed start-ups. She managed a broad set of responsibilities included raising venture financing, debt financing, merger and acquisitions, organizational restructuring, the preparation and presentation of Board of Directors materials, financial statements preparation, stock administration, management of all aspects of HR such as benefit plans, 401K & Flex Spending, compensation administration and the negotiation of legal agreements.

MICHELLE L. JACKO, ESQ,. CSCP
LEGAL AND COMPLIANCE ADVISOR
Michelle L. Jacko is the Founder and CEO of Core Compliance & Legal Services, Inc., a compliance consultation firm which offers compliance services to broker-dealers, registered investment advisers, hedge/private funds, banks, investment companies, and financial professionals. In addition, Ms. Jacko is Managing Partner and CEO of Jacko Law Group, PC, a securities law firm which offers securities and general corporate legal services on a nationwide basis.

Ms. Jacko specializes in investment adviser, broker-dealer and private fund formations, regulatory compliance, mergers and acquisitions, operational risk management, and business transitions, with emphasis on securities regulations. Her consultation practice is focused on the areas of policies and procedures, testing of compliance programs (including evaluation of internal controls and supervision), performance advertising, soft dollar arrangements, best execution, separation agreements and much more. In 2006, Ms. Jacko was named as a Top 20 Rising Star for "Who's Who" in Upcoming Compliance Professionals by Compliance Reporter magazine.

Previously, Ms. Jacko served as Of Counsel at Shustak & Partners, PC. Prior to that, she was Vice President of Compliance and Branch Manager of the Home Office Supervision team at LPL Financial Services, Corporation (Linsco/Private Ledger). Ms. Jacko also served as Legal Counsel of Investments and Chief Compliance Officer at First American Trust, FSB and held the position of Compliance Manager at Nicholas-Applegate Capital Management. In addition, Ms. Jacko was with PIM Financial Services, Inc., and Speiser, Krause, Madole & Mendelsohn, Jackson.

Ms. Jacko received her J.D. from St. Mary's University School of Law and B.A., International Relations, from the University of San Diego. She is admitted to the State Bar of California and United States District Court, Southern District of California. Michelle is a past two-term board member for the National Society of Compliance Professionals (NSCP), holds NSCP's Certified Securities Compliance Professional (CSCP) designation, and is an active member of the Membership and CSCP Marketing Committees.

Michelle frequently authors industry articles and presents at conferences throughout the nation. She is Vice-President and co-founder of the Southern California Compliance Group and is involved in the American Bar Association (Business Law Section), State Bar of California, and San Diego County Bar Association where she serves as Vice Chair of its Business Law Section. She also is a Member of the FINRA Board of Arbitrators.

GIL B. SELINGER
LEGAL COUNSEL

Gil B. Selinger counsels clients on a wide range of business transactions and legal matters. He works on securities, corporate and real estate transactions; mergers and acquisitions; changes of ownership; and cases involving corporate finance and capital. Gil has experience in both general corporate matters and securities matters; he routinely drafts corporate documents, including operating agreements, by-laws, shareholder agreements, buy/sell agreements and asset/stock purchase agreements, among others.

In addition to providing full service advice to corporate clients, Gil also offers clients expertise on state and federal securities laws and raising capital for their businesses. Gil has extensive experience in the refinance of loans, the raising of capital and other transactions that must be reworked to retain a company's value as the market shifts. His clients work in a variety of industries—including venture capital, private equity, technology, operations and real estate—and range from small LLCs and family-owned businesses to family offices and large corporations.

Prior to studying law, Gil gained a vantage of the consumer side of the financial industry while working as a financial analyst at Goldman Sachs & Co. in New York City. In addition to Wall Street finance, Gil worked within federal politics and local business management. He was ultimately attracted to the law when he realized its breadth and application across all of these fields.

JOHN S. LUTZ
LEGAL COUNSEL

John S. Lutz represents corporations, their officers and directors in complex commercial and securities litigation, arbitrations, mediations and grand jury investigations, including, among others, matters alleging corporate and securities fraud and tax fraud. He also provides advice and defense to the financial services industry in regulatory matters and proceedings. Jack has more than 40 years of legal experience and an extensive background of distinguished employment and service in both the public and private sectors. He served as trial attorney with the U.S. Securities and Exchange Commission, Denver Regional Office, from 1971 through 1974. He also headed a securities prosecution unit of the Joint Manhattan Strike Force for the U.S. Department of Justice, Organized Crime and Racketeering Section in the SDNY, from 1974 through early 1977. Among his private sector experience is his service as general counsel of Boettcher & Company, a New York Stock Exchange member broker-dealer firm formerly based in Denver, and as a banker with Irving Trust Company in New York City.

ROBERT L. LOEB, JR
LEGAL COUNSEL

Robert L. Loeb, Jr. serves on the firm's Executive Committee and devotes his practice to counseling corporate clients, particularly entrepreneurs and owners of closely held businesses. This representation covers a broad spectrum of business matters, including acquisitions and divestitures and contract negotiations. Bob also works closely with business owners in their estate planning and succession planning.We recognize the value and need for the Indiana-based counsel. Upon award of the TrustINdiana contract, we would begin negotiations, pending a conflict-of-interest review, to engage Brian Burdick of Barnes & Thornburg , LLP to provide counsel regarding the management of TrustINdiana.

City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 7, 2013

To: All Prospective Proposers

Subj: Addendum #1 to RFP #2013-127, Investment Management Services

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ADDENDUM #1

This addendum is issued as a result of questions asked, and consists of the following:

a. Answers to questions asked
b. Attachment A to Addendum #1, RFP #2013-127, Resolution #54-08, Establishing the City of Stuart Investment Policy

a. **Question #1.** Does the City of Stuart have a specific investment policy in addition to Florida State Statute?
Answer #1. The City of Stuart investment policy is in the form of Resolution #54-08 and is attached to this Addendum. Resolution #54-08 and this Addendum become parts of RFP #2013-127.

Question #2. Please provide a current holding statement for externally managed assets?
Answer #2. All cash and cash equivalent securities are currently held in interest bearing bank accounts, certificates of deposit and money market accounts

Question #3. What is the ranking criterion of RFP responses?
Answer #3. Please see Section 2.03 on page 9 of 11 for the selection criteria for this project.

b. Attachment A (Resolution 54-08, Establishing the City of Stuart Investment Policy) to RFP #2013-127, Investment Management Services

ADDENDUM #1 TO RFP #2012-127, INVESTMENT MANAGEMENT SERVICES IS CONTINUED ON THE NEXT PAGE

All other terms and conditions of RFP #2013-127 remain the same. This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #1 to RFP #2013-127, Investment Management Services:

John Grady
Signature

Feb 25 2013
Date

Public Trust Advisors
Firm

JOHN.GRADY@PUBLICTRUSTADVISORS.COM
Email address

City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 20, 2013

To: All Prospective Proposers

Subj: Addendum #2 to RFP #2013-127, Investment Management Services

---

ADDENDUM #2

This addendum is issued as a result of questions asked, and consists of the following answers to questions asked:

Question #1: Liquidity/flow of funds – how frequent and in what size are the cash flows? Are these essentially "on demand" short term funds (i.e. "cash") or are some longer-term capital accounts? And if both, approximately what is the split between them?
Answer #1: At least half of the funds will be long term capital accounts. The remaining approximately fifty percent will be a mixture of mid-term and short-term funds

Question #2: How many managers are you seeking to hire for the $20 million. If more than one manager how will the assets be split? In what dollar amounts?
Answer #2: It is the City's intent to award to one Investment Management firm, however the City reserves the right award in any manner the City determines is in its best interest. The City is the sole determiner of its best interest.

Question #3: Would we have full investment discretion (Within the confines of the Investment Policy Statement)?
Answer #3: Yes, the successful proposer will have full investment discretion as long as all investments and investment strategy meets the requirements of the City of Stuart Investment Policy.

Question #4: How often do you require a face-to-face meeting with us?
Answer #4: The City will expect semi-annual meetings with the contracted Investment Manager.

Question #5: Are custody of the funds at Morgan Stanley permissible?
Answer #5: The contracted Investment Manager will have custody of the City's funds, however any securities into which investments are made must be held by a

third party in order to avoid any perceived conflict of interest or perceived risk to those securities.

All other terms and conditions of RFP #2013-127 remain the same. This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal. Additional questions will be answered in a third addendum to be issued not later than 5:00 pm, Friday, February 22, 2013.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #2 to RFP #2013-127, Investment Management Services:

Signature

Feb 25 2013
Date

Public Trust Advisors
Firm

JOHN.GRADY@PUBLICTRUSTADVISORS.COM
Email address

City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 22, 2013

To: All Prospective Proposers

Subj: Addendum #3 to RFP #2013-127, Investment Management Services

---

ADDENDUM #3

This addendum is issued as a result of questions asked, and consists of the following answers to questions asked:

Question #1: Does the City currently use an external Investment Manager?
Answer #1: Yes

Question #2: If an external Investment Manager is in place, what is the current fee schedule?
Answer #2: The City pays the current Investment Manager an annual fee, based on the daily net assets under management at an annual rate of 7 basis points (0.07%).

Question #3: Is there a current investment policy statement we could review?
Answer #3: Yes, see Addendum #1, Attachment "A".

Question #4: How are the funds currently invested?
Answer #4: See Addendum #2, Question #1..

Question #5: Is there a vehicle of preference? Are Mutual Funds permissible?
Answer #5: No, no.

Question #6: Are there duration or credit restrictions or preferences?
Answer #6: At least half of the funds will be long term capital accounts. The remaining approximately fifty percent will be a mixture of mid-term and short-term funds. All investments and investment strategies must meet the requirements of the City of Stuart Investment Policy.

Question #7: The RFP does not mention fees. Does the City want any discussion of fees included in the responses?
Answer #7: See the original Request for Proposals, Section 2.03, paragraph B, page 9 of 11 and Section 5.00, page 11 of 11. The fee proposal is an evaluative criterion and a requirement of the RFP.

All other terms and conditions of RFP #2013-127 remain the same. This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #3 to RFP #2013-127, Investment Management Services:

Signature

Feb 25 2013
Date

Public Trust Advisors
Firm

JOHN.GRADY@PUBLICTRUSTADVISORS.COM
Email address

"Exhibit B"
"Original Request for Proposal as Issued by City with three (3) Addenda"

See next/17 page(s)

City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 7, 2013

To: All Prospective Proposers

Subj: Addendum #1 to RFP #2013-127, Investment Management Services

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ADDENDUM #1

This addendum is issued as a result of questions asked, and consists of the following:

a. Answers to questions asked
b. Attachment A to Addendum #1, RFP #2013-127, Resolution #54-08, Establishing the City of Stuart Investment Policy

a. **Question #1.** Does the City of Stuart have a specific investment policy in addition to Florida State Statute?
Answer #1. The City of Stuart investment policy is in the form of Resolution #54-08 and is attached to this Addendum. Resolution #54-08 and this Addendum become parts of RFP #2013-127.

Question #2. Please provide a current holding statement for externally managed assets?
Answer #2. All cash and cash equivalent securities are currently held in interest bearing bank accounts, certificates of deposit and money market accounts

Question #3. What is the ranking criterion of RFP responses?
Answer #3. Please see Section 2.03 on page 9 of 11 for the selection criteria for this project.

b. Attachment A (Resolution 54-08, Establishing the City of Stuart Investment Policy) to RFP #2013-127, Investment Management Services

ADDENDUM #1 TO RFP #2012-127, INVESTMENT MANAGEMENT SERVICES IS CONTINUED ON THE NEXT PAGE

All other terms and conditions of RFP #2013-127 remain the same. This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #1 to RFP #2013-127, Investment Management Services:

_____ _____
Signature Date

_____ _____
Firm Email address

City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 20, 2013

To: All Prospective Proposers

Subj: Addendum #2 to RFP #2013-127, Investment Management Services

---

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This addendum is issued as a result of questions asked, and consists of the following answers to questions asked:

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third party in order to avoid any perceived conflict of interest or perceived risk to those securities.

All other terms and conditions of RFP #2013-127 remain the same. This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal. Additional questions will be answered in a third addendum to be issued not later than 5:00 pm, Friday, February 22, 2013.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #2 to RFP #2013-127, Investment Management Services:

_____	_____
Signature	Date
_____	_____
Firm	Email address

City of Stuart

300 S. W. St Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320

Department of Financial Services

Purchasing Division
Terry Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

Date: February 22, 2013

To: All Prospective Proposers

Subj: Addendum #3 to RFP #2013-127, Investment Management Services

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ADDENDUM #3

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Answer #5: No, no.

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All other terms and conditions of RFP #2013-127 remain the same. This Addendum must be acknowledged, signed and returned with your proposal. Failure to comply will result in disqualification of your proposal.

Sincerely,

Charles T. Iverson
Purchasing Manager
City of Stuart, Florida

Acknowledgement is hereby made of Addendum #3 to RFP #2013-127, Investment Management Services:

_____	_____
Signature	Date
_____	_____
Firm	Email address

City of Stuart

300 S.W. St. Lucie Avenue • Stuart • Florida 34994
Telephone (772) 288-5320
Department of Financial Services

Procurement & Contracting Services Division
Charles T. Iverson, Purchasing Manager

Fax: (772) 600-1202
tiverson@ci.stuart.fl.us

LEGAL NOTICE FOR RFP #2013-127

Investment Management Services for the City of Stuart, Florida

The City of Stuart, Florida is seeking proposals from qualified investment managers interested in providing full range investment management services to the City of Stuart, Florida

A complete RFP package, which contains submittal information and response format, can be requested from Onvia DemandStar at http://www.demandstar.com, or by calling (800) 711-1712. A complete RFP package may also be obtained by contacting the City's Procurement & Contracting Services Office at 300 SW Saint Lucie Avenue, Stuart, Florida, by calling (772) 288-5308 or 772-288-5320 or by email at tiverson@ci.stuart.fl.us. The City of Stuart is not responsible for the content of any ITB/RFP package received through any 3rd party bid service or any source other than DemandStar by Onvia or the City of Stuart Procurement Office. It is the sole responsibility of the prospective proposer to ensure the completeness of the documents received from any source other than the City of Stuart or DemandStar.

Firms desiring to provide the services described above shall submit one (1) original and seven (7) copies - each marked "COPY", and one (1) electronic copy (PDF format preferred) on a CD, of their proposals containing all of the required information by **2:30 pm, Wednesday, February 27, 2013.** Submittals can be accepted by hand delivery in the Procurement Division Office, City Hall Annex, 300 SW Saint Lucie Avenue, Stuart, Florida. Submittals sent by overnight delivery or by U.S. Mail must be sent to Stuart Procurement Division, 121 SW Flagler Avenue, Stuart, Florida 34994. Submittals received after the above date and time will not be considered and will be held by the Procurement Office unopened. Responsive submittals will be opened as soon as practicable thereafter in the City Hall Annex, 300 SW Saint Lucie Avenue, Stuart, Florida.

It is the responsibility of the proposer to assure that proposals are received either by mail, overnight delivery or by hand in the City of Stuart Procurement Office not later than the specified time and date. No telegraphic, facsimile or electronic (email) offers will be considered.

Any questions concerning this solicitation may be addressed to Terry Iverson, City of Stuart Procurement Manager, (772) 288-5320, 300 SW St. Lucie Avenue, Stuart, Florida 34994 or by email at tiverson@ci.stuart.fl.us

In compliance with the Americans with Disabilities Act (ADA), anyone desiring to attend this proposal opening who needs a special accommodation should contact the City's ADA coordinator at 772-288-5306 or TDD at 772-288-5302 at least 48 hours in advance of the meeting, excluding Saturday and Sunday.

Publish Date: January 31, 2013

Stuart City Commission
City of Stuart, Florida
Terry Iverson, Procurement Manager

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Section 5	Proposal Schedule of Prices	Pg. 12

1.00 INTRODUCTION:

1.01 REQUEST FOR PROPOSAL: The City of Stuart, Florida, requests all interested and qualified investment managers or investment management firms, as described below, submit proposals to provide the City of Stuart, Florida, with "Investment Management Services" as specified in this document.

1.02 PURPOSE OF REQUEST: The intent of this Request for Proposal ("RFP") is to select one (1) or more Investment Manager(s) to actively manage funds for the City of no less than Twenty Million dollars ($20,000,000.00). The basic services will require investment management capabilities as outlined in the RFP.

The City is under no obligation to Contract for any services provided for in the RFP and the City also reserves the right to establish account(s) with other investment firms as necessary in the City's estimation.

1.03 DEFINITIONS: This section not used.

1.04 TIMETABLE (proposed)

A. On January 31, 2013, the City of Stuart issues the RFP

B. February 20, 2013, 5:00 pm EST, the last day questions will be accepted for official answer via formal Addenda

C. The City must receive proposals by 2:30 pm, local time, on February 27, 2013.

D. After receiving proposals, the City will review and evaluate them prior to the first selection committee meeting.

E. Oral presentations will be conducted, if necessary, for short-listed Proposers during the week of March 11, 2013.

F. March 25, 2013, present staff recommendation for award to Stuart City Commission

G. The CITY may enter into a contract after conducting negotiations and obtaining appropriate approvals. The CITY will notify unsuccessful Proposers.

1.05 DELAYS

The City, in its sole discretion, may delay the scheduled due dates indicated above if it is to the advantage of the City to do so. The City will notify Proposers of all changes in scheduled due dates by written addendum.

1.06 PROPOSAL SUBMISSION AND WITHDRAWAL

The City must receive all proposals by **2:30 pm**, local time, on Wednesday, **February 27, 2013.** The City will receive mailed proposals or proposals delivered by private carrier at the following address:

The City of Stuart, FL
121 SW Flagler Avenue
Stuart, FL 34994
Attn: Purchasing Office

The outside of the envelope must be identified as follows: RFP #2013-127, Investment Management Services

Receipt of the proposal in the Procurement Office after the time and date specified due to failure by the Proposer to provide the above information on the outside of the envelope shall result in the rejection of the Proposer's submittal. **The envelope must also include the Proposer's name and return address.**

The CITY cautions Proposers to assure actual delivery of proposals **directly to the CITY'S Procurement Office** prior to the deadline set for receiving proposals. Telephone confirmation of timely receipt of the proposal may be made by calling (772) 288-5320, before the 2:30 pm deadline. Proposals received after the established deadline will be held by the Procurement Office unopened.

Proposers shall submit one original and seven complete copies of the proposal in a sealed, opaque envelope or container marked as noted above. At minimum, the required pages of the original proposal must be manually signed in ink. Additional sets may be reproduced from the original. The Original proposal must be clearly marked. The Proposer may submit the proposal in person, by mail or by delivery service.

Proposers may withdraw their proposals by notifying the City in writing at any time prior to the time set for the proposal opening/deadline. Proposers may withdraw their proposals in person or through an authorized representative. Proposers and authorized representatives must disclose their identity and provide a signed receipt for the proposal. Proposals, once opened, become the property of the City and will not be returned to the Proposers.

1.07 INQUIRIES

Interested investment managers may contact the City Procurement Office to discuss the proposal. All inquiries must be made only through the Procurement Office. All technical or procedural questions must be received no less than five (5) business days prior to the proposal opening date. Any questions should be directed to Terry Iverson, Procurement & Contracting Services Manager at (772) 288- 5320 or by email at tiverson@ci.stuart.fl.us. Interpretations of the proposal or additional information as to its requirements which may materially affect responses to this solicitation shall be communicated to Proposers by written addenda to all Proposers who received the RFP. Proposers may not contact any member of the selection committee, any City employee or City elected official during this solicitation process. Any Proposer who does make one or more of the above noted unauthorized contacts will subject their proposal to disqualification.

The City will record its responses to inquiries which result in supplemental instructions in the form of written addenda.

1.08 ADDENDUM

Should revisions to the RFP become necessary, the City will provide a written Addendum to all Proposers who received the RFP. Proposers who obtain RFP documents from sources other than the City Procurement Office or from the on-line bid distribution service, DemandStar by Onvia, must officially register with the City's Purchasing Department in order to be placed on the mailing list for any forthcoming addenda or other official communications. Failure to register as a prospective Proposer may cause your proposal to be rejected as non-responsive if you have failed to submit a proposal with addenda acknowledgments.

It is the Proposer's responsibility to contact the City Procurement Office to assure that all addenda have been received. All Proposers should contact the City no more than five (5) calendar days before the date fixed for receiving proposals to ascertain whether any addenda have been issued. Failure by the Proposer to make this determination could deem their proposal non-responsive in the event addenda were issued and not acknowledged by the Proposer in their response.

1.09 POSTING OF RFP AWARD

Recommendation for award will be posted for review by interested parties in the Procurement Office. Any protest must be lodged in accordance with City of Stuart Code of Ordinances, Chapter 2 - Administration, Division 4. Procurement, Sections 2-290 and 2-291

1.10 PUBLIC RECORDS

Upon award recommendation or thirty (30) days after opening, whichever is earlier, any material submitted in response to this request for proposals will become a public record and shall be subject to public disclosure consistent with Chapter 119, Florida Statutes (Public Records Law). The City gives no assurance as to the confidentiality of any portion of the response once submitted. It is the responsibility of the proposer to seek counsel and determine applicability of the Statute to his/her particular circumstances prior to submittal of the proposal. Should any proposer submit information that is proprietary and exempt from Chapter 119, Florida Statutes, the subject information must be submitted in a sealed envelope within the submittal and marked: **Proprietary Information, Not Subject to Public Disclosure.**

1.11 PUBLIC ENTITY CRIME

Pursuant to F.S. 287.133, as amended: A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid or proposal on a contract to provide any goods or services to a public entity, may not submit a bid or proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids or proposals on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

1.15 Suspended Vendor: An entity or affiliate who has been placed on the State of Florida Suspended Vendor List will not be considered for award. The Suspended Vendor List is available on the

State's website at:
http://dms.myflorida.com/business_operations/state_purchasing/vendor_information

2.00 PROPOSAL PROCEDURES

2.01 MINIMUM QUALIFICATIONS:

Proposers must satisfactorily meet the following minimum qualifications:

A. All proposers must be qualified investment managers as reflected in past experience and resumes of individuals who will be responsible for City funds.

B. The proposer must have at least five (5) years of successful experience handling investments of at least Twenty Million dollars ($20,000,000.00) in accordance with Florida State Statute concerning Investment Policy.

2.02 PROPOSAL FORMAT:

Proposers are required to adhere to the following format in submitting their RFP's:

A. Transmittal Letter: A Transmittal letter will summarize in a brief and concise manner the proposer's understanding of the scope of work and make a positive commitment to timely perform the work in accordance with Florida Statute. An agent authorized to contractually bind the proposer must sign the Letter of Transmittal indicating the agent's title or authority. The transmittal letter shall include all contact information for firm's assigned partner and primary personnel assigned to the City of Stuart Account.

B. Organization: Describe the organization, date founded, and ownership of the firm and regulatory agencies to which the organization reports. Describe any significant change in organizational structure, ownership or management during the last three years.

Describe any business affiliations with subsidiaries, joint ventures and/or "soft dollar" arrangements with brokers. Identify the types of accounts primarily managed by the organization.

Describe any SEC, NASD or other regulatory censure or litigation involving the organization during the past five (5) years. Summarize fidelity bond coverage, errors and omissions coverage, employee dishonesty coverage, fiduciary liability insurance, or other fiduciary coverage carried by the organization.

Provide a copy of the organization's most recent audited financial statement. Include a positive statement the organization adheres to the Code of Professional and Ethical Standards as described by AIMR (Association for Investment Management and Research).

C. Experience: Describe the organization's experience managing investment portfolios for public funds and governmental entities emphasizing relevant experience managing public funds in the State of Florida.

Summarize institutional assets the organization has had under management during the past five years. Describe them using the following categories, separating Governmental asset totals from Other Institutional; asset totals:

	Short term operating funds	Medium term operating funds	Long term operating funds
Governmental Institutions			
Other Institutions			
Total			

Describe the organization's experience developing investment policies and portfolio management guidelines for government operating funds.

Provide five (5) client references (public references preferred) to include client name, contact person, address, telephone number, length of time assets have been managed by the organization and a list of any other related services provided to the client.

D. Personnel: Provide a summary organizational chart showing the proposed project team including analytical investment and research staff, other decision support and back office support. Identify the primary contact person and describe the role of each key person.

Provide detailed resumes of all key investment professionals who will be directly responsible for the investment of City of Stuart funds. Include the following information: Title, number of years at the firm, total number of year's experience, professional designations or licenses, SEC or NASD or any other regulatory censures, actions or litigation.

Describe the organization's activities to keep portfolio managers informed of developments relevant to the management of local government's funds.

Describe the typical number of accounts managed by a single manager or a team (give size of team). Give the largest number of accounts managed by a single manager or team.

E. Investment Management Approach and Discipline: Briefly describe the organization's investment Management philosophy. Describe the organizations fixed income investment policy, state when was this policy established

Describe the primary strategies employed by the organization to add value to investment portfolios. Describe how investment ideas are originated, researched and how the final investment decision is made. Explain how investment decisions are then implemented, monitored and evaluated.

Describe the organization's research capabilities and resources. Does the organization assign credit research to specialists?

F. Performance: Provide a breakdown of the total assets managed by the organization for public funds and governmental entities. Do not include figures for any subsidiaries, affiliates or parent firms as of December 31, 2012. Use the following table:

	Number of accounts	Dollar value in thousands
Tax Exempt Assets		
	Number of accounts	Dollar value in thousands
Taxable Assets		
	Number of accounts	Dollar value in thousands
Mutual Funds		

G. Provide rates of return indicated below by fund (fixed income investments) for the last ten (10) years, if available.

Fixed Income Performance

Year Ending	**Return Percentage**	**Number of Accounts**	**Market Value**
2003			
2004			
2005			
2006			
2007			
2008			
2009			
2010			
2011			
2012			

H. Does the respondent offer any structured investment portfolios? Name these investment portfolios and the indices or benchmarks against which they are rated. Provide performance comparisons of these portfolios against the following indices:

1. 90 Day Treasury Bill

2. Merrill 1 to 3 Year Governmental Index

3. Merrill Lynch (1) year Treasury note

I. The Proposal must include a statement to the effect that it is valid for ninety (90) days subsequent to the submittal date.

J. The City reserves the right to reject any or all Proposals. The City will negotiate provisions of a final Contract with the most qualified proposer, in the sole determination of the City of Stuart.

K. All proposals are to be clearly indexed and all supporting materials and responses are to reference the section of the RFP to which the response pertains.

L. All costs directly or indirectly related to the preparation of a response to this Request or Proposals or any other presentation required by the City to clarify a Proposal shall be borne solely by the proposer.

2.03 SELECTION CRITERIA:

This procurement will comply with applicable City Ordinances and Policies, State Board Rules and Florida Statutes. The selection of an institution may be made without discussion with Proposer after proposals are received. Therefore, proposals should be submitted with the most favorable terms to the City.

Each of the following criteria will be considered singly and in the aggregate to evaluate Proposals and to make a recommendation for award to the City Commission:

A. The completeness and clarity of the response to all required items on the standardized Proposal Quotation Schedule.

B. The cost of investment management services.

C. The ability to provide the type, quantity and quality of investment services requested within this RFP.

D. Past Performance in comparison with City designated Benchmark indices

E. The ability to stay within the parameters of investment policy as mandated by Florida State Statue.

F. The experience of the investment managers, including continuity of service, who have been identified as the City's Project Team.

G. The demonstrated ability of the proposer to service high volume multi-million dollar accounts and provide the services requested.

H. Ability to provide on-line computer access by authorized city representatives to the City's portfolio and financial information.

3.00 SCOPE OF INVESTMENT MANAGEMENT SERVICES

The successful proposer shall manage the assets of the City's portfolio using a consistent investment strategy in accordance with Florida State Statutes. Except as otherwise provided in the contract, the investment manager will have discretion in managing the portfolio(s). This includes voting proxies in the portfolio, acting on corporate actions and various other portfolio management responsibilities.

Upon request, the investment manager shall review and recommend revisions to the City of Stuart investment policy.

Upon request, the investment manager shall provide advice on market conditions and various security-related issues to the City.

The investment manager shall provide reports to the City Commission and staff as required. Examples of such reports include:

Monthly – Statement of Account

Quarterly - External Manager Review
Fee Billing

Annually - Organizational Chart
Proof of Fidelity Bond/Errors & Omissions/Fiduciary
Liability Insurance
Audited Financial Statements

Attendance at City Commission or staff meetings in Stuart, Florida as requested by the City Commission or City staff.

Specialized services as requested, including but not limited to conducting research or writing papers relating to investment strategies or philosophies, new investment vehicles or structures, economic conditions, or portfolio management issues pertaining to the investment managers investment style or product; conducting educational presentations to staff or board members; and providing general investment literature to staff and Board.

4.00 OTHER REQUIREMENTS:

4.01 WRITTEN CONTRACT AND DURATION:

It is intended that the term of the Contract for "Investment Management Services" will be five (5) years beginning on the date of contract execution. The Contract shall contain specific provisions that will fix all prices, rate determinations, time schedules and services for the first year of the Contract. Price escalations or de-escalations may be considered annually. The investment manager shall have the right to review and approve the Contract prior to its presentation to the City Commission for approval and authorization to execute. The City may terminate the Contract at any time by giving written notice to the Investment Manager. The Investment Manager may terminate the contract at any time by giving written notice to an authoritative representative of the CITY at least one hundred twenty (120) days prior to the effective date of termination, the terminating Investment Manager shall be prohibited from submitting subsequent Investment Management Services Proposals for five (5) years.

5.00 PROPOSAL SCHEDULE OF PRICES

1. Describe your proposed fee arrangements. Please distinguish between investment management fees, trading fees, custody fees, fees for other services and any other charges to which the City may be subject.

2 Describe the scope of services provided with the proposed fee schedule.

The offer contained in this proposal is valid for ninety (90) days.

"Exhibit C"
"City of Stuart Investment Policy"

See next 20 page(s)

City of Stuart

Sailfish Capital of the World

BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION NUMBER 54-08

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA ADOPTING THE CITY OF STUART INVESTMENT POLICY FOR PUBLIC FUNDS; PROVIDING EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

WHEREAS: The City of Stuart, Code of Ordinances Section 2-236(e) governs the investment of municipal funds and this resolution is intended to provide the detailed City investment plan; and

WHEREAS: The City of Stuart Investment Policy may need to change from time to time as warranted by conditions, or legislation, necessitating the flexibility action by resolution.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission of the City of Stuart hereby adopts the City of Stuart Investment Policy. A copy of the Investment Policy is on file in the office of the City Clerk.

SECTION 2: This resolution shall take effect immediately upon adoption.

Resolution 54-08
Investment Policy

Commissioner Mortell offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner Wheeler and upon being put to a roll call vote, was as follows.

	YES	NO	ABSENT
JEFFREY KRAUSKOPF, MAYOR	✓		
JAMES CHRISTIE, VICE MAYOR	✓		
MARY L. HUTCHINSON, COMMISSIONER	✓		
MIKE MORTELL, COMMISSIONER	✓		
CAROL WAXLER COMMISSIONER	✓		

ADOPTED this 12th day of May 2008.

ATTEST:

CHERYL WHITE
CITY CLERK

CITY OF STUART

JEFFREY A. KRAUSKOPF
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS

PAUL J. NICOLETTI
CITY ATTORNEY

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City of Stuart

121 SW Flagler Avenue • Stuart • Florida 34994
Telephone (772) 288-5310
Fax (772) 288-5323

Financial Services Department

Dorothy Zaharako, Financial Services Director

MEMORANDUM

To: Dan Hudson, City Manager

From: Louis J. Boglioli, III, Financial Services Assistant Director

Date: May 5, 2008

Subject: Analysis of Proposed Investment Policy to Current Investment Plan

---

Mr. Hudson, in an attempt to analyze the proposed changes of the investment policy, over what is currently the adopted investment plan, those changes and modifications in form are summarized below. It is noteworthy to state, though a broad investment plan has been in place since the adoption September 25, 2000, the overwhelming majority of the City's funds were invested with the State Board of Administration (SBA).

- The current investment plan is burdened by technical jargon and industry vernacular; whereas the proposed plan spells out in common language the intent and instruments available to the City for prudent investing.
- The proposed policy establishes a "Prudent Person" standard for the City staff and a "Prudent Expert" standard for the investment advisor and all other professionals engaged by the City for the purposes of managing public funds; the current investment plan only addressed City staff.
- In the current investment plan under "Authorized Investment", Reverse Repurchase Agreements were listed as authorized; they are now broken out separately as prohibited with Derivatives, unless the Commission directs otherwise.
- The "Investment Objectives" section of the current investment plan states the City would strive to achieve a 30-day WAM (weighted average maturity) with our core funds; the proposed policy intends to structure investments to meet the investment objectives.
- The current investment plan lists specific job duties and internal control procedures as part of the plan; the proposed policy references outside documents to govern procedures, internal controls, and procurements.
- The proposed policy allows for periodic review and reporting to the Investment Advisory Committee and the City Commission; the current investment plan empowered the Director of Administrative Services with full control.
- The current investment plan only provided quarterly reporting with annual reviews; the proposed policy provides for monthly reporting from the Investment Advisor and a presentation with the Annual Financial Report.

Cc: Dorothy Zaharako, CPA, Financial Services Director

Investment Policy
The City of Stuart

Approved on _____

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ATTACHMENT: Glossary of Cash and Investment Management Terms

INVESTMENT POLICY
CITY OF STUART, FLORIDA

I. PURPOSE

The purpose of this Investment Policy ("Policy") is to set forth the investment objectives and parameters for the management of public funds of the City of Stuart, Florida (hereinafter "the City"). This Policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed and an investment return competitive with comparable funds and financial market indices.

II. SCOPE

In accordance with Section 218.415, Florida Statues, this Policy applies to the investment of cash and investment balances of the following funds:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds

This Policy does not apply to the investment of principal, interest, reserve, construction, capitalized interest, or escrow accounts created by ordinance or resolution pursuant to the issuance of bonds where the investments are held by an authorized depository. Funds received and held in specific accounts in compliance with Federal or State grant awards are excluded from this Policy. Additionally, this Policy does not apply to funds not under investment control of the City. Cash and investment balances as defined in this Section are entirely known as "Available Fund".

III. INVESTMENT OBJECTIVES

Safety of Principal

The foremost objective of this investment program is the safety of the principal of the funds of the City. Investment transactions shall seek to keep capital losses to a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the funds.

From time to time, securities may be purchased at a premium or traded for other securities to improve yield, maturity or credit risk. For these transactions, a loss may be incurred for accounting purposes to achieve optimal investment return, provided any of the following occurs with respect to the replacement security:

A. The yield has been increased, or

B. The maturity has been reduced or lengthened, or

C. The quality of the investment has been improved.

Maintenance of Liquidity

The second highest priority is liquidity of funds. The funds shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analyses will be completed in order to ensure that the investments are positioned to provide sufficient liquidity.

Return on Investment

The third highest priority is income. Funds shall be invested with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

IV. DELEGATION OF AUTHORITY

The management responsibility for all City funds in the investment program and investment transactions is delegated to the Director of Financial Services. The Director of Financial Services shall establish written procedures for the operation of the investment portfolio and a system of internal accounting and administrative controls to regulate the activities of employees. The City may employ investment managers to assist in investing, monitoring, or advising on the City's investments. Such investment managers must be registered under the Investment Advisors Act of 1940.

V. INVESTMENT COMMITTEE

An Investment Committee shall be established consisting of the Director of Financial Services, Financial Services Assistant Director and two citizens of the City of Stuart. The Investment Committee shall meet at least semi-annually to review the City's investment strategy.

VI. STANDARDS OF PRUDENCE

The standard of prudence to be used by the City's staff shall be the "Prudent Person" standard and shall be applied in the context of managing the overall investment program. The Director of Financial Services acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of any personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the City Administrator and the Investment Committee in a timely fashion and the liquidity and sale of securities are carried out in accordance with the terms of this Policy. The Prudent Person standard is as follows:

> Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by the City's staff is the Prudent Person standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The Prudent Expert standard is as follows:

> The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise: the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VII. ETHICS AND CONFLICTS OF INTEREST

The City's staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Also, employees involved in the investment process shall disclose to the City any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any material personal financial and investment positions that could be related to the performance of the City's investment program.

VIII. INTERNAL CONTROLS AND INVESTMENT PROCEDURES

The Director of Financial Services shall establish a system of internal controls and operational procedures that are in writing and made a part of the City's operational procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. The written procedures should include reference to safekeeping, bonding, repurchase agreements, and separation of transaction authority from accounting and recordkeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. No person may engage in an investment transaction except as authorized under the terms of this Policy.

Independent auditors, as a normal part of the annual financial audit to the City, shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

IX. CONTINUING EDUCATION

The Director of Financial Services and appropriate staff designated by the Director of Financial Services shall each annually complete 8 hours of continuing education in subjects or courses of study related to investment practices and products. The annual training should be cost effective and reasonable for the City staff.

X. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

Authorized City staff and investment managers shall only purchase securities from Financial Institutions, which are qualified as "Public Depositories" by the Treasurer or the Chief Financial Officer of the State of Florida, from direct issuers of commercial paper and Bankers' Acceptances or institutions designated as "Primary Securities Dealers" by the Federal Reserve Bank of New York. Public Depositories may provide the services of a securities dealer through a Section 20 subsidiary of the financial institution.

Authorized City staff and investment managers shall only enter into repurchase agreements with financial institutions that are qualified Public Depositories by the Treasurer or the Chief Financial Officer of the State of Florida and Primary Securities Dealers as designated by the Federal Reserve Bank of New York.

For the investment of debt proceeds, financial institutions shall be selected pursuant to the debt covenants created by ordinance or resolution pursuant to the issuance of bonds.

XI. MATURITY AND LIQUIDITY REQUIREMENTS

Each year a cash flow analysis will be completed to determine the acceptable allocation and balances for each of the following funds. The Accounting Manager will be responsible for the cash flow analysis, which will be presented to the Director of Financial Services and the Investment Committee for review.

Operating Funds
To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than 12 months ("Short-Term Portfolio").

Core Funds
Investments of reserves, capital funds, and other non-operating funds ("Long-Term Portfolio") shall have a term appropriate to the need for funds, but in no event shall exceed five (5) years and the average duration of the portfolio as a whole may not exceed two (2) years.

XII. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Director of Financial Services or the investment manager has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investments, a minimum of three (3) authorized investment institutions or dealers must be contacted and asked to provide bids/offers on the securities in

question. Bids will be held in confidence until the bid/offer deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible and appropriate, securities may be purchased utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to the following:

A. Telerate Information System

B. Bloomberg Information Systems

C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing

D. Daily market pricing provided by the City's custodian or their correspondent institutions

Examples of when this method may be used include the following:

A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process

B. When no active market exists for the issue being traded due to the age or depth of the issue

C. When a security is unique to a single dealer, for example, a private placement

D. When the transaction involves new issues or issues in the "when issued" market

Overnight sweep repurchase agreements will not be bid, but may be placed with the City's depository bank relating to the demand account for which the repurchase agreement was purchased.

XIII. AUTHORIZED INVESTMENTS INSTRUMENTS AND PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the City's needs change. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Director of Financial Services or the investment manager may sell the investment at the then-prevailing market price and place the proceeds into the proper account at the City's custodian.

The following are the investment instrument requirements and allocation limits on security types, issuers, and maturities, as established by the City. For the purpose of complying with allocation limits, the term "Available Funds" is defined in Section II of this Policy and not including balances invested in the overnight sweep investment. The Director of Financial Services or designee, and the Investment Committee shall have the option to further restrict investment percentages from time to time based on market conditions, risk and diversification investment strategies. The percentage allocation requirements for investment types and issuers are calculated based on the market value of each investment. Investments not listed in this Policy are prohibited.

The allocation limits and security types do not apply to the investment of debt proceeds. These investments shall be governed by the debt covenant created by ordinance or resolution pursuant to the issuance of bonds.

A. The Florida Local Government Surplus Funds Trust Fund, as administered by the Florida State Board of Administration ("SBA")

1. Investment Authorization

Invest in the SBA provided the stated objectives of the SBA are followed which include: to provide a short-term, very liquid, high quality investment vehicle to participating local governments, to purchase securities consistent with Section 215.47, Florida Statutes and to operate the pool as a "2a7-like" fund using the Securities and Exchange Commission investment requirements for 2a-7.

2. Portfolio Composition

A maximum of 50% of available funds may be invested in the SBA.

3. The SBA shall be rated "AAAm" or "AAAm-G" by Standard & Poor's, or the equivalent by another rating agency.

4. Due Diligence Requirements

A thorough review of the SBA is required prior to investing, and on a continual basis. There shall be a questionnaire developed by the Director of Financial Services that will contain a list of questions that covers the major aspects of the SBA's Investment Policy requirements.

B. United States Government Securities

1. Purchase Authorization

Invest in negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but will not be limited to the following:

Cash Management Bills
Treasury Securities – State and Local Government Series ("SLGS")
Treasury Bills
Treasury Notes
Treasury Bonds
Treasury Strips

2. Portfolio Composition

A maximum of 100% of Available Funds may be invested in the United States Government Securities.

3. Maturity Limitations

The maximum length to maturity of any direct investment in the United States Government Securities is five (5) years from the date of purchase.

C. United States Government Agencies

1. Purchase Authorization

Invest in bonds, debentures or notes which may be subject to call, issued or guaranteed as to principal and interest by the United States Government Agencies, provided such obligations are backed by the full faith and credit of the United States Government. Such securities will include, but will not be limited to the following:

Government National Mortgage Association (GNMA)
-GNMA guaranteed mortgage-backed bonds
-GNMA guaranteed pass-through obligations
United States Export – Import Bank
-Direct obligations or fully guaranteed certificates of beneficial ownership
Farmer Home Administration
-Certificates of beneficial ownership
Federal Financing Bank
-Discount notes, notes and bonds
Federal Housing Administration Debentures
General Services Administration
United States Maritime Administration Guaranteed
-Title XI Financing
New Communities Debentures
-United States Government guaranteed debentures
United States Public Housing Notes and Bonds
-United States Government guaranteed public housing notes and bonds
United States Department of Housing and Urban Development
-Project notes and local authority bonds

2. Portfolio Composition

A maximum of 50% of Available Funds may be invested in United States Government Agencies.

3. Limits on Individual Issuers

A maximum of 25% of available funds may be invested in individual United States Government Agencies.

4. Maturity Limitations

The maximum length to maturity for an investment in any United States Government Agency security is five (5) years from the date of purchase.

D. Federal Instrumentalities

1. Purchase Authorization

Invest in bonds, debentures or notes which may be subject to call, issued or guaranteed as to principal and interest by Federal Instrumentalities (United States Government sponsored agencies), which are non-full faith and credit agencies limited to the following:

Federal Farm Credit Bank (FFCB)
Federal Home Loan Banks (FHLB)
Federal National Mortgage Association (FNMA)
Federal Home Loan Mortgage Corporation (Freddie-Mac) including Federal-Home Loan Mortgage Corporation participation certificates
Student Loan Marketing Association (Sallie-Mae)

2. Portfolio Composition

A maximum of 75% of Available Funds may be invested in Federal Instrumentalities.

3. Limits on Individual Issuers

A maximum of 25% of Available Funds may be invested in individual Federal Instrumentalities.

4. Maturity Limitations

The maximum length to maturity for an investment in any Federal Instrumentality security is five (5) years from the date of purchase.

E. Interest Bearing Time Certificates of Deposit, Saving Accounts or Checking Accounts

1. Purchase Authorization

Invest in non-negotiable interest bearing time certificates of deposit, savings accounts or checking accounts in banks organized under the laws of this state and/or in national banks organized under the laws of the United States and doing business and situated in the State of Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. Additionally, the bank shall not be listed with any recognized credit watch information service.

2. Portfolio Composition

A maximum of 50% of Available Funds may be invested in non-negotiable interest bearing time certificates of deposit, savings accounts or checking accounts.

3. Limits on Individual Issuers

A maximum of 25% of Available Funds may be deposited with any one issuer.

4. Maturity Limitations

The maximum maturity on any certificate of deposit shall be no greater than one (1) year from the date of purchase.

F. Repurchase Agreements

1. Purchase Authorization

a. Invest in repurchase agreements composed of only those investments based on the requirements set forth by the City's Master Repurchase Agreement. All firms are required to sign the Master Repurchase Agreement prior to the execution of a repurchase agreement transaction.

b. A third party custodian with whom the City has a current custodial agreement shall hold the collateral for all repurchase agreements with a term longer than one (1) business day. A clearly marked receipt that shows evidence of ownership must be supplied to the Director of Financial Services and retained.

c. Securities authorized for collateral are negotiable direct obligations of the United States Government, Government Agencies, and Federal Instrumentalities with maturities under five (5) years and must have a market value for the principal and accrued interest of 102 percent of the value and for the term of the repurchase agreement. Immaterial short-term deviations from 102 percent requirement are permissible only upon the approval of the Director of Financial Services.

2. Portfolio Composition

A maximum of 50% of Available Funds may be invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements.

3. Limits on Individual Issuers

A maximum of 25% of Available Funds may be invested with any one institution excluding one (1) business day agreements and overnight sweep agreements.

4. Limits on Maturities

The maximum length to maturity of any repurchase agreement is 90 days from the date of purchase.

5. Performance Calculation

Overnight sweep investments for the purpose of calculating investment performance will be excluded from the calculation.

G. Commercial Paper

1. Purchase Authorization

Invest in commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper) or the equivalent by another nationally recognized rating agency.

2. Portfolio Composition

A maximum of 25% of Available Funds may be directly invested in prime commercial paper.

3. Limits on Individual Issuers

A maximum of 5% of Available Funds may be invested with any one issuer.

4. Maturity Limitations

The maximum length to maturity for prime commercial paper shall be 270 days from the date of purchase.

H. Bankers' Acceptances

1. Purchase Authorization

Invest in Bankers' Acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, at the time or purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" Standard & Poor's or the equivalent by another nationally recognized rating agency.

2. Portfolio Composition

A maximum of 25% of Available Funds may be directly invested in Bankers' Acceptances.

3. Limits on Individual Issuers

A maximum of 5% of Available Funds may be invested with any one issuer.

4. Maturity Limitations

The maximum length to maturity for Bankers' Acceptances shall be 180 days from the date of purchase.

I. State and/or Local Government Taxable and/or Tax-Exempt Debt

1. Purchase Authorization

Invest in state and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt, or rated at least "MIG-1" by Moody's and "SP-1" by Standard & Poor's for short-term debt or the equivalent by another nationally recognized rating agency.

2. Portfolio Composition

A maximum of 20% of Available Funds may be invested in taxable and tax-exempt debts.

3. Maturity Limitations

A maximum length to maturity for an investment in any state or local government debt security is three (3) years from the date of purchase.

J. Registered Investment Companies (Money Market Mutual Funds)

1. Investment Authorization

Invest in shares in open-end and no-load money market mutual funds provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates that money market mutual funds must have an average weighted maturity of 90 days or less. The prospectus of such funds must indicate that the share value shall not fluctuate.

2. Portfolio Composition

A maximum of 75% of Available Funds may be invested in money market mutual funds.

3. Limits of Individual Issuers

A maximum of 25% of Available Funds may be invested with any one money market mutual fund.

4. Rating Requirements

The money market mutual funds shall be rated, at a minimum, "AAAm" or "AAAm-G" by Standard & Poor's or the equivalent by another nationally recognized rating agency.

5. Due Diligence Requirements

A thorough investigation of any money market mutual fund is required prior to investing and on a continual basis. There shall be a questionnaire developed by the Director of Financial Services or the investment manager that will contain a list of due diligence considerations that deal with the major aspects of any money market fund. A current prospectus must be obtained prior to investing.

K. Intergovernmental Investment Pool

1. Investment Authorization

Intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes.

2. Portfolio Composition

A maximum of 25% of Available Funds may be invested in intergovernmental investment pools.

3. Due Diligence Requirements

A thorough investigation of any pool fund is required prior to investing and on a continual basis. There shall be a questionnaire developed by the Director of Financial Services or the investment manager that will contain a list of due diligence considerations that deal with the major aspects of any investment pool or fund. A current prospectus must be obtained prior to investing.

XIV. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

Investment in any derivative products or the use of reverse repurchase agreements requires specific City Commission approval prior to their use. If the City Commission approves the use of derivative products, the Director of Financial Services shall develop sufficient understanding of the derivative products and have the expertise to manage them. A "derivative" is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. If the City Commission approves the use of reverse repurchase agreements or other forms of leverage, the investment shall be limited to transactions in which the proceeds are intended to provide liquidity and for which the Director of Financial Services has sufficient managerial resources and expertise.

XV. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios' performance, the City will use nationally recognized performance benchmarks for the Short-Term and Long-Term portfolios. The use of benchmarks will allow the City to measure its returns against other investors in the same markets. Performance calculations will not include any balances invested in the overnight sweep accounts.

A. A nationally recognized Money Market Fund Index, such as the Standard and Poor's Governmental Investment Pool Index/Government will be used as a benchmark as compared to the portfolios' net book value rate of return for current operating funds (short-term portfolio).

B. Investment performance of the Long-Term Portfolio will be compared to the Merrill Lynch 1–3 Year United States Treasury Index or an equivalent index comprised of U. S. Treasury or Government securities. The appropriate index will have a duration and asset mix that approximates the portfolio and will be utilized as a benchmark to be compared to the portfolio's total rate of return.

XVI. REPORTING

The Director of Financial Services shall provide the City Manager with a monthly investment report, which includes a listing of the holdings in the portfolio at cost and market value.

The Director of Financial Services and/or investment manager shall provide the Investment Committee with quarterly performance investment reports. Once reviewed by the Investment Committee the reports shall be submitted to the City Commission.

Schedules in the quarterly performance reports should include but not be limited to the following:

A. A listing of individual securities held at the end of the reporting period

B. Percentage of Available Funds represented by each investment type

C. Performance comparisons against benchmarks

D. Average life or duration and final maturity of all investments

E. Par value, original cost and market value

On an annual basis, the Director of Financial Services or investment manager shall prepare and submit to the City Commission a written report on all Available Funds. The annual report shall provide all, but will not be limited to, the following: a complete list of all invested funds, name or type of security in which the funds are invested, the amount invested, the maturity date, income earned, the book value, the market value and the yield on each investment.

The annual report will show performance on both a book value rate of return and a total rate of return basis and will compare the results to the above-stated performance benchmarks. All investments shall be reported at fair value per GASB standards. Investment reports shall be available to the public.

XVII. THIRD-PARTY CUSTODIAL AGREEMENTS

All securities, with the exception of certificates of deposits, shall be held with a third party custodian and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States, which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The Director of Financial Services, upon approval of the City Commission, will execute on behalf of the City, third party custodial agreement(s) with its bank(s) and depository institution(s). Such agreements may include letters of authority from the City, details as to the responsibilities of each

party, method of notification of security purchases, sales, and delivery procedures related to repurchase agreements and wire transfers, safekeeping and transaction costs, procedures in case of wire failure or other unforeseen mishaps and describing the liability of each party.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the City of Stuart and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, made from safekeeping, shall be permitted unless by such a duly authorized person.

The custodian shall provide the Director of Financial Services with monthly statements that provide detailed information on the securities held by the custodian. Security transactions between authorized investment institutions and dealers and the custodian, involving the purchase or sale of securities by transfer of money or securities, must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Securities held as collateral shall be held free and clear of any liens.

XVIII. INVESTMENT POLICY ADOPTION

This Policy shall be adopted by City resolution. The Investment Committee shall review the Policy annually and the City Commission shall approve any modification made thereto.

APPROVED AND ADOPTED BY THE CITY COMMISSION ON _____.

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CITY OF STUART, FLORIDA
AGENDA ITEM REQUEST

Meeting Date: May 12, 2008

Prepared by: Louis J. Boglioli, III
Financial Services Assistant Director

Title of Item: **Resolution No. 54 -08**

A Resolution of the City Commission of the City of Stuart, Florida, adopting a comprehensive Investment Policy; Providing an Effective Date; And for Other Purposes.

Summary Explanation/Background Information on Agenda Request:

See attached summary memorandum

The attached Resolution is proposed in order to establish an investment policy for the City of Stuart, and guidelines for the investment of public funds.

Request:

The attached Resolution and Investment Policy are for your review to address the investment of public funds.

Recommended Action:

Motion to adopt: A Resolution of the City Commission of the City of Stuart, Florida, adopting an Investment Policy for the City of Stuart; and Providing an Effective Date.

Dorothy B. Zaharako, Financial Services Director — **Date:** 5/7/2008

Paul J. Nicoletti, City Attorney — **Date:** 5-7-08

Dan Hudson, City Manager — **Date:** 5/7/08

"Exhibit D"
"Investment Manager's Certificate of Insurance"

See next __ page(s)

Client#: 24311 PUBTR

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 03/27/2013

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
Rust Insurance Agency, LLC
910 17th Street, N.W.
Washington, DC 20006
202 776-5000

CONTACT NAME: Sharon Thomas
PHONE (A/C, No, Ext): 202 776-5015 FAX (A/C, No): 202 776-1288
E-MAIL ADDRESS:
PRODUCER CUSTOMER ID #:

INSURED
Public Trust Advisors, LLC
999 18th Street, Suite 1230
Denver, CO 80202

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : CNA Insurance Company	
INSURER B : Travelers Property Casualty	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

COVERAGES CERTIFICATE NUMBER: 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	
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	X		4031227927	11/21/2012	11/21/2013	EACH OCCURRENCE	$1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$300,000
							MED EXP (Any one person)	$10,000
							PERSONAL & ADV INJURY	$1,000,000
							GENERAL AGGREGATE	$2,000,000
							PRODUCTS - COMP/OP AGG	$2,000,000
								$
A	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	X		4031227927	11/21/2012	11/21/2013	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
								$
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DEDUCTIBLE X RETENTION $ 10000	X		4031228043	11/21/2012	11/21/2013	EACH OCCURRENCE	$3,000,000
							AGGREGATE	$3,000,000
								$
								$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC431185470	11/21/2012	11/21/2013	X WC STATU-TORY LIMITS 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
B	Professional			ZPL14T7426313NZ	01/01/2013	01/01/2014	$5,000,000. $250,000 Retention	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

City of Stuart, Florida
121 SW Flagler Avenue
Stuart, FL 34994

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

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