
STATEMENT OF QUALIFICATIONS



Capital Markets Advisors, LLC

Independent Registered Municipal Advisors



Firm Profile

Capital Markets Advisors, LLC (“CMA”) is an SEC-registered municipal financial advisor serving the financing needs of public jurisdictions across the Northeastern United States. CMA professionals assist its clients as they plan, structure, market and issue of notes, bonds and lease financing to fund capital projects and cash flow needs. As part of our comprehensive service, we plan and structure debt offerings, prepare disclosure documents, assist in securing credit ratings and credit enhancement, sell new money debt and refund existing debt via competitive and negotiated sales, competitively bid out escrow accounts and generally provide thoughtful and sound advice on a wide variety of financial issues affecting our clients. Our professional staff have decades of experience assisting our clients as they finance a myriad of projects including roads and airports, bridges, general infrastructure, housing, stadiums and arenas, tobacco securitization and water and sewer. CMA also advises on cash flow financings in excess of \$1 billion every year.

CMA was founded in 2002 as a limited liability company under the laws of New York State and is owned by its two principals, Richard Tortora and Rick Ganci. Through the first half of 2015, Thompson Reuters ranked CMA 3rd in New York State, 6th in the Northeastern United States and 10th in the nation among all municipal advisors. For all of 2015, CMA expects to serve as advisor on over 400 note, bond and lease financings with a total par amount of approximately \$4 billion. CMA is consistently one of the most active municipal advisors in the nation.

THE CMA TEAM

CMA has a staff of twenty three serving the needs of its clients from five offices. Key members of our professional staff are listed below.

- ◆ **Richard Tortora, Esq., *President and Principal***
30 years experience as a municipal advisor, banker and Bond Counsel
- ◆ **Rick Ganci, MA, *Senior Vice President and Principal***
Over 15 years experience as a municipal advisor and government banker
- ◆ **Margaret Guarino, *Managing Director***
Over 40 years experience as a municipal advisor, investment banker and government official
- ◆ **Beth Ferguson, *Vice President***
30 years experience as a municipal advisor and investment banker
- ◆ **Anthony Nash, *Vice President***
Quantitative expert with 11 years experience as a municipal advisor
- ◆ **Janet Morley, *Vice President***
Over 20 years experience as municipal advisor, bond insurer and investment banker

Key Team Member Resumes

Richard Tortora, Esq., *President and Principal*

Richard manages the firm's Great Neck headquarters and is responsible for providing financial advisory services to jurisdictions throughout the northeastern United States. Over the course of his 30-year career in public finance, he has been involved in bond, note and lease financings totaling over \$35 billion.

Prior to co-founding CMA, Richard managed the New York City office of Evensen Dodge, Inc., the oldest independent financial advisory firm in the nation. His career in finance began as in-house counsel at Cantor Fitzgerald Securities Corp., continued as an Associate with Hawkins, Delafield & Wood followed by five years with The Bank of New York. As a municipal advisor, his current assignments have included the largest counties in New York State including Albany, Monroe and Suffolk as well as the cities of Bridgeport, CT; Manchester, NH and Buffalo, Rochester and Yonkers, NY. Richard is a featured speaker at industry conferences on a regular basis.

Richard holds a law degree from St. John's University School of Law and a B.A. degree from Fordham University in Political Science/Public Administration. He has served on the Board of Governors of the New York State Government Finance Officers Association ("GFOA") and is a member of the NYS Association of School Business Officials ("ASBO"). Richard has been licensed by the Municipal Securities Rulemaking Board ("MSRB") as a Registered Principal and a Registered Representative.

Rick Ganci, MBA, *Senior Vice President and Principal*

Rick manages the Western New York office of CMA and serves as lead advisor to many of the firm's largest clients performing complex financial modeling, tax impact analysis and cash flow analysis and assists in the preparation of offering statements. He has worked with clients on a variety of projects including the planning and issuance of advance refunding bonds, cash flow financings and debt issuance through various conduit issuers.

Rick's client assignments include the cities of Buffalo, Rochester and Syracuse, counties of Monroe and Niagara, Erie County Fiscal Stability Authority and Buffalo and Fort Erie Public Bridge Authority.

Rick completed his undergraduate work at Hobart College where he received a B.A. in Economics. He later received his Master's degree in Economics from the State University of NY at Buffalo. He is a member of the New York GFOA and ASBO.

Margaret Guarino, *Managing Director*

Margaret heads up CMA's strategic consulting practice. She has over 40 years experience as a financial advisor and banker. Her responsibilities include assisting clients to develop and improve their financial and operating strategies.

Prior to joining CMA, Margaret was a Senior Vice President with Bank of America Merrill Lynch responsible for managing a portfolio of Public Sector banking clients. She was also in that firm's Municipal Finance Group as a Managing Director for 12 years. Margaret has expertise structuring and developing innovative financing solutions for issues facing State and Sovereign governments. her banking experience

Key Team Member Resumes

began early in her career as the Executive Director of Grassroots Housing for a Better East New York in the early 1970s. She then served as Senior Vice President for the City of New York Public Development Corporation for eight years under the Koch Administration before entering into investment banking in 1987. In addition to her role as a banker, Margaret served for many years as the financial advisor to the U.S. Virgin Islands and the Territory of Guam. She also has structured debt in order to create liquidity for European and Central American Banking Institutions.

Beth Ferguson, Vice President

Beth manages the firm's Hudson Valley office and has over 30 years of public finance experience as a financial advisor, investment banker and research analyst. She has developed comprehensive rating agency presentations, negotiated aggressive pricing structures and assisted in budget analysis.

Her state agency experience includes serving as investment banker or financial advisor to the Maryland Stadium Authority, New Jersey Educational Facilities Authority, NJ Economic Development Authority, NJ Health Care Facilities Financing Authority, State of New York Mortgage Agency, Port Authority of New York and New Jersey and Wyoming Community Development Authority.

Prior to joining CMA, Beth was a founding partner of Acacia Financial Group, Inc. (AFG), a women-owned financial advisory firm located in New Jersey. Prior to founding AFG, she was a Vice President with Municipal Advisory Partners, Inc. for thirteen years. Beth was an investment banker with Bear, Stearns & Co. Inc., Chase Manhattan Capital Markets Corporation, Grigsby Brandford Powell, Inc. and Marine Midland Capital Markets Corp. prior to her career as a financial advisor. She graduated from the State University of New York at Albany with a Bachelor of Science degree in business administration. She has been licensed by the Municipal Securities Rulemaking Board as a Registered Representative.

Anthony Nash, Vice President

Anthony prepares disclosure documentation and performs financial modeling including bond amortization schedules, tax impact analysis and cash flow analysis for some of the firm's largest clients. He has developed a particular expertise in the area of quantitative analysis and assists with the sale of competitively sold refunding bonds and escrow restructurings.

Anthony joined CMA in 2003 as a Summer Associate and became a full time Analyst in 2004 after graduating from SUNY Binghamton with a B.S. in Financial Economics.

Janet Morley, Vice President

Janet is the firm's lead in assisting CMA's clients as they plan, develop and execute their credit rating strategy. She has over 20 years experience working with issuers, bankers and other industry professionals on credit related issues.

Janet began her career in public finance as a banker with Fuji Bank. This was followed by a long stint at MBIA, the nation's leading municipal bond insurer where she worked remediating and restructuring troubled credits. Most recently, she was hired by Warren Buffet's Berkshire Hathaway Assurance Corp. to assist that entity in its review of municipal credits for the possible issuance of bond insurance. She has an undergraduate degree in Business and Economics from Lehigh University.

CMA's Team Approach

CMA takes a team approach to financing services, with each individual's unique expertise contributing to our clients' needs.

- ◆ We offer our clients a team of well-trained, seasoned professionals with experience and expertise in municipal accounting, banking, credit, finance, government, law, quantitative analysis and school finance.
- ◆ The CMA Team includes professionals previously employed as Bond Counsel, investment bankers, government bankers, elected officials, credit analysts and school business officials.
- ◆ We work with our clients on a day-to-day basis, coordinating their individual financings with their long-term goals.
- ◆ We analyze cash flow statements and construction draw down schedules to best time and size our clients' cash flow and capital financing needs.
- ◆ Using Munex and proprietary, in-house software, CMA develops alternative financing structures that include tax and budget impact analysis.
- ◆ We work closely with our clients to prepare rating agency strategies and presentations that include presentation books and comparative analysis of an established peer group. We take a proactive approach to dealing with the credit rating agencies.
- ◆ We often hold rating agency presentations at our New York City office which is conveniently located across from Penn Station—convenient to Amtrak, the Long Island Railroad and most subway lines. This takes away the ratings analysts' "home court advantage" and allows CMA and the client to better control the rating process.
- ◆ CMA analyzes proposals submitted to our clients by bankers and other third parties to quantify their real value to the client
- ◆ CMA represents its clients in the selection of underwriters, underwriters' counsel Bond Counsel, and other service providers, including Trustee, Escrow Agent and Verification Agent.
- ◆ CMA looks to establish long-term relationships with our clients that enable us to best plan for their future while being mindful of the past. Some of our relationships extend over 30 years.

CMA's In-House Resources

QUANTITATIVE ABILITIES

- ◆ In-house quantitative skills are essential for a financial advisory firm if it is to accurately structure issues and thoroughly analyze proposals submitted by investment bankers.
 - CMA is the only financial advisory firm to have successfully structured and sold competitively-sold advance refundings for local municipalities and school districts in New York State. We introduced the concept in New York State in June 2002 and since that date have sold over 250 refundings at competitive sale for over 100 different clients.
 - CMA monitors all of our clients' outstanding, long term debt to quickly identify and execute refunding opportunities. In 2015, CMA expects to advise on close to 100 refinancings of its clients outstanding bonds and leases.
 - CMA also monitors our clients' refunding escrows so that we can identify and capitalize on restructuring opportunities.
- ◆ CMA uses proprietary structuring models, as well as Excel and Munex software to serve our clients' quantitative needs.

MARKET INFORMATION

- ◆ CMA's access to broad and sophisticated resources assures that our clients receive precise and accurate market information. CMA utilizes several resources to aid us in our work, including:
 - **Bloomberg Financial Markets:** Bloomberg provides 24-hour financial information and analytical services on all aspects of the debt markets. CMA accesses Bloomberg to monitor market activity, and analyze historical debt issuance and overall capital structure. The system's extensive analytical capabilities enable CMA to perform detailed analysis of existing securities and create financial models.
 - **Municipal Market Data (MMD):** CMA uses MMD to gather a broad range of benchmark data and historical information on yield, credit, and performance trends in the municipal market.
 - **Trade Publications:** *The Bond Buyer* is the public finance industry's recognized trade journal and it provides daily results of sale for all municipal bond sales. We also use *The Wall Street Journal* and several market newsletters to track market trends.
 - **Industry Newsletters:** CMA receives industry newsletters and market updates from numerous banks and broker dealers on a weekly, monthly and quarterly basis. This constant inflow of industry news and information assists CMA to keep abreast of market trends and economic forecasts.

Providing the Right Information

PRICING AN ISSUE

- ◆ Prior to selling an issue, CMA provides our clients with a list of recent comparable transactions using **Bloomberg Information Service** and **The Bond Buyer**. We use interest rate scales provided to us daily by **Municipal Market Data (“MMD”)**, an industry pricing guide, to project interest rates.
- ◆ We also use MMD scales to see how a client’s bonds have priced historically against this industry benchmark.
- ◆ The day before a negotiated pricing, CMA runs the pricing call and provides our client with up-to-the-minute market developments that might impact the pricing. We also create our own pricing scale that we review with the client prior to the pricing call.
- ◆ On the day of the negotiated pricing, we are with the lead underwriter, checking orders and reporting on the results of other issues pricing the same day. Our market savvy and toe-to-toe style of handling a pricing often results in favorable adjustments to the interest rate scales proposed by our client’s bankers.

CREDIT RATING ASSISTANCE

- ◆ CMA maintains close relationships with each of the three major rating agencies: Moody’s, Standard & Poor’s and Fitch. Over the past year alone, the CMA team acted as Financial Advisor for over 100 long-term issues, most of which were rated. We also worked on over 300 short-term financings, many of which were also rated.
- ◆ Members of the CMA team are thoroughly familiar with the rating agencies, their “hot button issues” and their personnel. We are able to anticipate their questions and concerns and we prepare our clients to effectively address these matters.
- ◆ We often hold rating agency presentations at our New York City office which is conveniently located across from Penn Station—convenient to Amtrak, the Long Island Railroad and most subway lines. This takes away the ratings analysts’ “home court advantage” and allows CMA and the client to better control the rating process.

FOR FURTHER INFORMATION

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