



Exeter Township

Financing Analysis

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What is an Independent Financial Advisor?

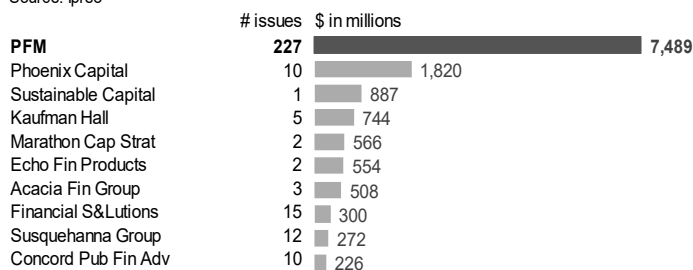
- 1) An Independent Financial Advisor **represents the Client’s best interests** throughout the entire process of any debt issuance including:
 - a. Selection of financing type (bond issue, bank loan etc.)
 - b. Method of sale (competitive, negotiated, hybrid, etc.)
 - c. Negotiations of interest rates, commissions, and loan provisions
 - d. Ultimate recommendation whether to proceed based on current market conditions
- 2) Unlike underwriters, as an independent financial advisor PFM has a **fiduciary** responsibility to our client and no one else.



Overview of PFM - Nation’s #1 ranked Independent Financial Advisor¹

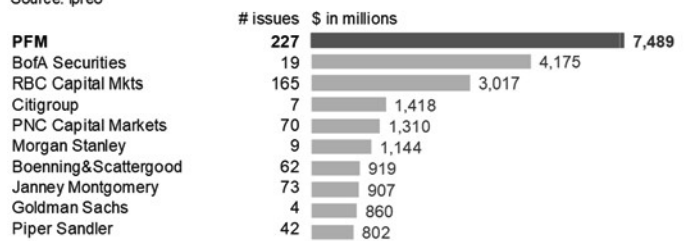
**Pennsylvania
Year Ending 2019
PFM vs. Financial Advisors**

2019 Full Year Pennsylvania Long Term Municipal New Issues
Municipal Financial Advisory Ranking - Full Credit to Each Financial Advisor
Source: Ipreo



**Pennsylvania
Year Ending 2019
PFM vs. Underwriters**

2019 Full Year Pennsylvania Long Term Municipal New Issues
PFM vs. Underwriter
Municipal Financial Advisory vs Underwriter Ranking
Full to Each, Equal if Joint Financial Advisor, True Economics to Each Bookrunner
Source: Ipreo



¹Ranked by Ipreo for calendar year 2019, based on principal amount and number of transactions.

Historical relationship with the Township

- 3) Jamie Schlesinger worked with the Township from 2002-2017 and assisted in several of the Township's past financings

Sample of Regional Pennsylvania Clients

- 4) PFM currently serves as Financial Advisor for the following municipalities in Berks and Montgomery County:

- | | |
|------------------------------|-----------------------------|
| 1) Abington Township | 10) Ontelaunee Township |
| 2) Ambler Borough | 11) Pottstown Borough |
| 3) Bryn Athyn Borough | 12) Skippack Township |
| 4) Hatboro Borough | 13) Shoemakersville Borough |
| 5) Hatfield Borough | 14) Spring Township |
| 6) Horsham Township | 15) Springfield Township |
| 7) Limerick Township | 16) Topton Borough |
| 8) Lower Heidelberg Township | 17) Upper Dublin Township |
| 9) Lower Salford Township | 18) Upper Moreland Township |

Financing Considerations

- 5) The financing team will need to address the following:
 - a. Timing of issuance(s)
 - b. Tax status of refunding related to 2015 and 2018 Note
 - c. Amortization of new debt and useful life the assets originally financed
 - d. Use of Township cash
 - e. Method of sale (Bank Loan v. Bond Issue v. DeVal)
 - f. Future capital needs/long range plan and how that interplays with savings structure