Since 2013, Raymond James had been providing the Town with ideas, market updates and informational materials on their pension fund related matters. Starting in late 2018, we met with the Town on numerous occasions to educate and discuss details regarding their unfunded pension liability as well as various strategies to address the liability. These strategies included:

- making programmatic changes to their funding assumptions, exploring pension buyouts and issuing pension bonds.
- providing various debt restructuring strategies to mitigate the potential increase in their pro-forma bond debt service from such a sizeable pension bond issue.
- proposing a structuring strategy to help cushion against potential volatilities in its investment returns over time. The Town could achieve this by issuing pension bonds at the beginning of its fiscal year and repurposing moneys that would have been deposited as the contribution to pay down the unfunded liability to establish a pension reserve fund.

Ultimately, the Town decided that issuing taxable pension bonds would be their best option to address the unfunded pension liability. Even with the contemplated issuance of the pension bond, the Town budgeted its full pension payment for the fiscal year and used the funds ($27 million) to create a pension reserve fund.

The diligent marketing strategy worked well on the financing with 63 investors submitting orders totaling $1.045 billion, including $7.3 million of orders from mom & pop retail. Every maturity was oversubscribed ranging from 1.4x to 13.0x. The entire financing was over 3.2x oversubscribed and the Town was able to lower its spreads to Treasury on various maturities by 5-10 basis.

The all-in-TIC on the pension bonds with an 14.2 year average life was 2.54% (25yr level debt service structure). These bonds also have a ten-year call option.