

INVESTMENT ADVISORY AGREEMENT

THIS AGREEMENT, entered into as of the 8th day of January, 1996 by and between THE CITY OF NORTH PORT, FLORIDA, a public agency. (hereinafter the "City"), and PUBLIC FINANCIAL MANAGEMENT, INC., a Pennsylvania corporation with an office in Harrisburg, Dauphin County, Pennsylvania, authorized to do business in Florida, (hereinafter "PFM" or the "Investment Advisor").

WITNESSETH

WHEREAS, the City has certain fund balances in its Capital Projects Fund and such other funds so designated from time to time (the "Managed Funds") which the City desires to maximize the rate of return on such fund balances until such time as the funds are needed, and

WHEREAS, the earnings from the temporary investments of the Managed Funds constitutes a vital component of the overall financial plan of the City; and

WHEREAS, the City desires to avail itself of the experience, sources of information, advice, assistance and facilities available to PFM and to have PFM undertake certain duties and responsibilities and to perform certain services as investment advisor on behalf of the City, as provided herein; and

WHEREAS, PFM 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, it is agreed as follows:

1. SERVICES OF ADVISOR

PFM will provide investment management of the Managed Funds. In connection therewith, PFM will provide investment research and supervision of the City investments and conduct a continuous program of investment, evaluation and when appropriate, sale and reinvestment of the Managed Funds assets. PFM shall continuously monitor investment opportunities and evaluate investments owned by the Managed Funds or available to them. PFM shall furnish the City with

statistical information and reports with respect to investments of the Managed Funds. PFM 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 PFM and/or the City, and to that end PFM is authorized as agent of the City to give instructions to the depository designated by the City as its custodian 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 placing of such orders, PFM is directed to seek for the City the most favorable execution and price. In seeking the most favorable execution and price, PFM is hereby expressly authorized to consider, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to PFM by such brokers and dealers. The depository designated by the City shall always have custody of cash, assets and securities of the City.

PFM 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 Florida Statutes as outlined on Attachment I, and as supplemented by such other written instructions as may from time to time be provided by the City to PFM. PFM shall ensure that orders are placed with reputable, qualified, and financially sound brokers/dealers.

2. COMPLIANCE WITH ARBITRAGE AND REBATE REQUIREMENTS

PFM shall conduct the investment management program in compliance with the arbitrage and rebate requirements of the United States Treasury, currently described in Section 148 of the Internal Revenue Code of 1986 as amended and of the related Code of Federal Regulations. PFM shall place orders for the purchase and sale of securities at market prices as determined in accordance with said regulations and rulings, shall maintain records of all such transactions which shall include documentation of the market price of each purchase and sale, and shall prepare on behalf of the City all arbitrage and rebate reports required by the U.S. Treasury and Internal Revenue Code.

3. COMPENSATION

(a) For investment management services provided by PFM pursuant to this Agreement, the City shall pay PFM an annual fee of 10 basis points (.010%), in monthly installments, based on the daily net assets under management at the following rates of the Managed Fund assets.

Amounts deposited with the Local Government Surplus Funds Trust Fund and bank money market accounts, if any, shall not be included in calculating the average daily net assets of which are subject to said fee for management.

(b) For the services provided by PFM to complete a formal rebate calculation report the fee shall be \$2,000 (One-time set-up fee \$500 and report fee \$1,500).

(c) PFM will bill the City for work completed under terms of this Agreement, said bill to include a statement indicating the basis upon which the fee was calculated. The City shall pay to PFM the amount payable pursuant to this Agreement not later than on the 15th day of the month following the month during which the services for the payment of which the fee is payable were rendered.

(d) If and to the extent that the City shall request PFM to render services other than those to be rendered by PFM hereunder, such additional services shall be compensated separately on terms to be agreed upon between PFM and the City.

4. EXPENSES

(a) PFM shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for managing the investments.

(b) Except as expressly provided otherwise herein, the City shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of the City's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, fees and expenses of the custodian of the Managed Funds including safekeeping of funds and securities and the keeping of books and accounts.

5. RESPONSIBILITY OF PFM

PFM hereby represents it is a registered investment advisor under the Investment Advisors Act of 1940. PFM shall immediately notify the City if at any time during the term of this Agreement it is not so registered or if its registration is suspended. PFM agrees to perform its duties and responsibilities under this Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man 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. PFM further certifies that it is licensed and authorized to furnish these services in accordance with all applicable laws, rules and regulations, including those of the State of Florida.

6. CONFLICT OF INTEREST

The City understands that PFM performs investment advisory services for various other clients which may include investment companies and/or commingled trust funds. The City agrees that PFM may give advice or take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the City's accounts, so long as it is the policy of PFM, to the extent practical, to allocate investment opportunities to this account over a period of time on a fair and equitable basis relative to other clients. PFM shall not have any obligation to purchase, sell or exchange for this account any security which PFM, its

principals, affiliates, or employees may purchase, sell or exchange for the account of any other client or for itself or its own accounts if, in its opinion, such transaction or investment appears to be unsuitable, impractical, or undesirable for the City's account.

7. TERM

This Agreement may be terminated by the City in the event of any material breach of its terms immediately upon notice by certified mail, return receipt requested. This Agreement may be terminated by the City, on not less than thirty (30) days written notice to PFM. PFM may terminate this Agreement immediately upon any material breach of its terms by the City, or at any time after one year upon thirty (30) days written notice.

8. SUSPENSIONS, COMPLAINTS

PFM shall promptly notify the City in writing of any complaints or disciplinary actions filed against it, or any subsidiary or affiliate, or any investment professional employed by it who has performed any service with respect to the City's account in the 24 preceding months, by the Securities and Exchange Commission of the United States, the New York Stock Exchange, the American Stock Exchange, the National Association of Securities Dealers, any Attorney General or any regulatory agency or City of any state of the United States, any department or agency or City of the Government of the United States, or any governmental agency or City regulating securities of any country in which PFM is doing business.

9. INDEPENDENT CONTRACTOR

PFM, its employees, officers and representatives, shall not be deemed to be employees, agents, partners, servants, and/or joint ventures of the City by virtue of this Agreement or any actions or services rendered under this Agreement.

10 BOOKS

PFM shall maintain appropriate records of all its activities hereunder. PFM shall provide the City with a monthly statement showing deposits, withdrawals, purchases and sales (or maturities) of investments, earnings received, and the value of assets held on the last business day of the month. The report shall be in the format and manner that is mutually agreed upon by PFM and the City.

11. PFM'S DISCLOSURE STATEMENT

PFM warrants that it has delivered to the City, at least five business days prior to the execution of this Agreement, PFM's current Securities and Exchange Commission Form ADV, Part II (PFM's disclosure statement). The City acknowledges receipt of such disclosure statement at least five business days prior to the execution of this Agreement.

12. MODIFICATION

This Agreement shall not be changed, modified, terminated or discharged in whole or in part, except by an instrument in writing signed by both parties hereto, or their respective successors or assigns.

13. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall be binding on PFM and its respective successors and assigns, provided, however, that the rights and obligations of PFM may not be assigned without the prior written consent of the City.

14. APPLICABLE LAW

This Agreement shall be construed, enforced, and administered according to the laws of the State of Florida. PFM, and the City agree that, should a disagreement arise as to the terms or enforcement of any provision of this Agreement, each party will in good faith attempt to resolve said disagreement prior to filing a lawsuit.

15. VALIDITY

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

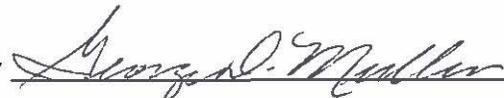
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their authorized representatives as of the date set forth in the first paragraph of this Agreement.

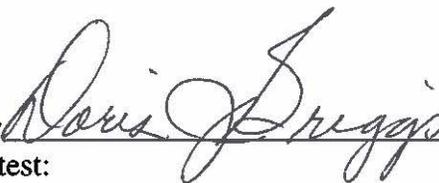
Approved as to form and correctness



David M. Levin, City Attorney

THE CITY OF NORTH PORT

By 

By 

Attest:

PUBLIC FINANCIAL MANAGEMENT, INC.

By 

Managing Director

**FIRST AMENDMENT to
INVESTMENT ADVISORY AGREEMENT**

This First Amendment to Investment Advisory Agreement, effective the first day of January, 2017 (the "First Amendment"), by and between CITY OF NORTH PORT, a Florida public agency (the "City"), and PFM ASSET MANAGEMENT LLC ("PFM"), a Delaware limited liability company, with an office in Orlando, Florida, as successor in interest to Public Financial Management, Inc..

WHEREAS, the City and PFM heretofore entered into an Investment Advisory Agreement, dated as of January 8, 1996 (the "Original Agreement"), whereby the City engaged PFM to perform investment advisory services as specified therein; and

WHEREAS, as compensation for such services, the City agreed to pay PFM an annual fee based at the rate of 10 basis points of assets under management, all as provided and set forth in subsection 3(a) of the Original Agreement; and

WHEREAS, the parties have agreed, effective January 1, 2017, to adjust the fee schedule, as set forth herein.

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained, it is agreed as follows:

1. Effective January 1, 2017, the first paragraph in subsection 3(a) of the Original Agreement is amended and restated in its entirety as follows:

(a) For services provided by PFM pursuant to this Agreement, the City shall pay PFM an annual fee, in monthly installments, based on the daily net assets under management according to the schedule below:

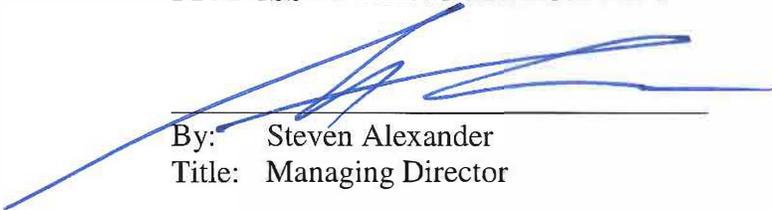
<u>Average Assets Under Management</u>	<u>Fees</u>
Initial \$25 million	10 basis points (0.10%)
Next \$25 million	8 basis points (0.08%)
Next \$50 million	7 basis points (0.07%)
Above \$100 million	6 basis points (0.06%)

2. This First Amendment embodies the whole understanding between the parties and supersedes any previous oral understanding by and between the parties as to the matters set forth herein. Except as amended hereby, the Original Agreement remains in full force and effect.

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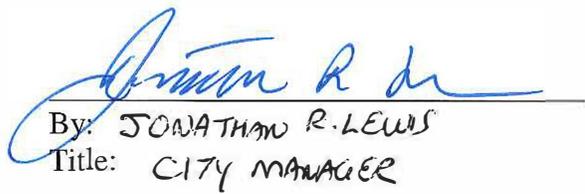
IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their authorized representatives as of the date set forth in the first paragraph of this First Amendment.

PFM ASSET MANAGEMENT LLC



By: Steven Alexander
Title: Managing Director

CITY OF NORTH PORT



By: JONATHAN R. LEWIS
Title: CITY MANAGER

ATTEST:



Patsy C. Adkins, MMC
City Clerk



Approved as to form and correctness

Mark Moriarty