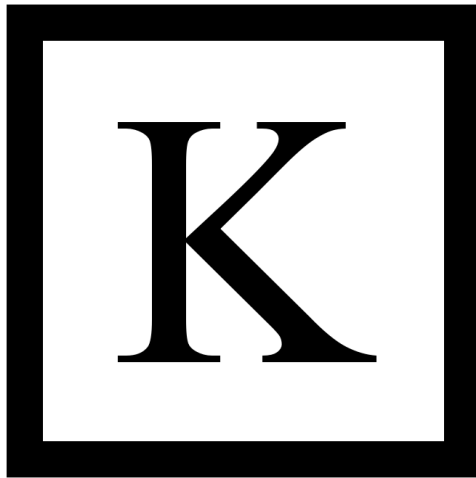


THE KAPOOR COMPANY

ADVISORS & CONSULTANTS



THE KAPOOR COMPANY
www.kapoorco.com
215.840.6552

OFFICES IN NORTH CAROLINA AND PENNSYLVANIA



THE KAPOOR COMPANY

Since 2008, The Kapoor Company has provided governments with objective, straightforward advice that solves workforce problems, improves services and saves money. Having served governments as managers, attorneys and now as independent advisors, we understand the unique challenges they face and the critical role that they play in their citizens' lives. We believe in the high calling of public service and look for clients who are willing to take the steps necessary to make themselves the most effective at what they do.

As former attorneys and government officials, we have advised Fortune 100 companies, states, counties, municipalities, nonprofits and small businesses on a host of sensitive and complicated matters. Vijay Kapoor has mediated two nationally recognized pension consensus agreements among cities and their public safety unions that preserved benefits while stabilizing pension funds. He also served in the administration of Pennsylvania Governor Edward G. Rendell as the Executive Director of the Governor's Office of Management and Productivity. In this role, he led statewide and agency-specific cost savings and operational improvement projects at the Commonwealth of Pennsylvania.

The Kapoor Company specializes in workforce-related matters. Our specific services include:

- Labor Negotiations and Interest Arbitration Support
- Pension/Retiree Health Care Mediation and Funding
- Workforce Costing
- Operational Analysis

We believe that these difficult issues must be addressed by realizing that governments and their workforces need each other. Governments need their employees to provide the services that their citizens fund and expect. Public employees need their governmental employers to provide them a fair compensation package. No one benefits from a fiscally distressed municipality, a seriously underfunded pension fund, or a demoralized workforce. While not easy, we have mediated agreements with governments and employee organizations that stabilized finances and maintained very competitive compensation packages.

We focus on the numbers and take into account how changes impact employees and retirees. We know that our credibility is paramount and work to gain the trust of all of those involved. We are under no illusions as to the difficulties these problems present, but we are convinced that they must be addressed or else the eventual outcome will be much worse for all involved.

***Note:** The Kapoor Company does not provide legal, actuarial, investment or advice related to bond transactions. We are not a "municipal advisor" as defined by the Municipal Securities Rulemaking Board (MSRB).*



MEMBER PROFILES

Vijay Kapoor

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Vijay Kapoor founded The Kapoor Company in 2008. He has spent his entire professional career working on governmental and public sector workforce issues. Prior to rejoining The Kapoor Company, he served as the Director of Workforce Consulting at Public Financial Management. Mr. Kapoor has also served in state government in positions including Executive Director of the Commonwealth of Pennsylvania's Office of Management and Productivity where he led enterprise-wide and agency-specific cost savings projects towards the goal of reaching \$1.5 billion in annual savings. Mr. Kapoor also previously practiced as a labor and employment attorney, where he specialized in public sector labor relations matters.

In 2013, Mr. Kapoor mediated a comprehensive consensus agreement among the City of Lexington, KY and its police and fire unions to address an underfunded pension fund. He and his team worked with the parties to define the scope of the problem, benchmarked the current benefit levels, and identified possible paths to sustainability. The final agreement included changing the pension COLA, maintaining a defined benefit pension plan for existing employees and new hires, and increasing financial contributions by the City. The agreement was featured in *The Bond Buyer* ("A New Path to Reform of Pensions." *The Bond Buyer*. January 31, 2013) and *Governing Magazine* ("Pension Reform Success Stories." *Governing Magazine*. April 1, 2013). In 2014, he also successfully mediated a consensus agreement among the City of Chattanooga, TN, and its fire and police employees and retirees.

Mr. Kapoor is a frequent speaker on pension and retiree benefit issues. He has made the following presentations:

- "Municipal Finance Basics for Arbitrators." American Arbitration Association. Philadelphia, Pennsylvania. October 11, 2013
- "Pension Reform: Doing it Right." Government Finance Officers Association 107th Annual Conference. San Francisco, California. June 4, 2013
- "Compensation and Retiree Benefit Issues." New Hampshire Local Government Center Annual Conference. Manchester, New Hampshire. November 14, 2012
- "Addressing Unfunded Retiree Benefit Liabilities." Association of Public Treasurers of the United States and Canada 47th Annual Conference. Williamsburg, Virginia. August 15, 2012
- "Collective Bargaining Strategies for Employee and Retiree Benefits: What Finance Officers Need to Know." Government Finance Officers Association 105th Annual Conference. San Antonio, Texas. May 23, 2011



Mr. Kapoor has also published articles on public sector collective bargaining including:

- “Bringing Numbers to the Table: What Finance Officers Need to Know About Collective Bargaining,” *Government Finance Review* (August 2011)
- “Public Sector Labor Relations: Why it Should Matter to the Public and Academia”, 5 *U. Pa. J. Lab. & Emp.* 401 (2003)

Mr. Kapoor graduated from the University of Chicago with degrees in economics and public policy studies (with honors) and received his J.D. from the University of Pennsylvania Law School, where he received the labor law prize. He also received a certificate in Business and Public Policy from the Wharton School of the University of Pennsylvania. He has been certified as a Senior Professional in Human Resources (SPHR) since 2008.



LABOR NEGOTIATIONS AND INTEREST ARBITRATION SUPPORT

Labor contract settlements and interest arbitration awards can determine a government's budget and operations for years to come. Often, arbitrators (and sometimes those at the bargaining table) do not fully understand how a municipality's finances work and how various provisions – especially pension and retiree health care – will impact the government's economic condition in both the short and the long term. We simplify and present complex financial data in ways that non-public finance professionals can understand.

We have testified as expert economic witnesses at over fifty interest arbitrations on behalf of states, counties, cities, townships, towns and boroughs. Our presentations include ability to pay, comparability, and proposal costing analysis. We can design tailored Excel-based costing models that estimate the cost of major compensation provisions so that all parties are aware of their impacts.

In addition to serving as expert economic witnesses, our professionals have also spoken on financial analysis for public sector labor relations at national and local conferences and have published articles on the topic. We also conducted a basic municipal finance seminar for interest arbitrators through the American Arbitration Association. Having served as attorneys, government officials and economic experts, we understand municipal finance and public sector labor relations holistically.

RELEVANT EXPERIENCE

- Expert witness on behalf of the Commonwealth of Pennsylvania for interest arbitrations with State Troopers, Correctional Officers, Park Police and Capitol Police bargaining units
- Expert witness in police and fire interest arbitrations on behalf of Pennsylvania's cities of the Third Class including Allentown, Bethlehem, Chester, Coatesville, Easton, Lancaster, Pottsville, Reading and York
- Expert witness for a New Jersey county under one of the first matters to be decided under new interest arbitration law
- Member of the Commonwealth of Pennsylvania's bargaining teams for its 2003 and 2007 negotiations with unions representing over 43,000 members. Worked with agencies to identify proposals that would result in cost savings and operational improvements. Calculated financial impact of overtime and shift differential proposals. Conducted survey of other states' leave policies, analyzed leave usage, and prepared cost analysis of leave use and payout; presented analysis and proposals at bargaining table. Negotiations resulted in settlements