

Debt 2: ACCESSING THE MARKET

March 18, 2015
Riverside Convention Center
Riverside, California

Agenda

Wednesday, March 18th

8:00 AM Registration

8:30 AM Welcome and Opening Remarks

8:35 AM Introduction: Recent Trends in the Bond Market

This introductory session provides an overview of current bond market conditions and trends.

Nikolai J. Sklaroff, Director – West Region, Public Finance, Wells Fargo Securities

SESSION ONE

9:00 AM Debt Capacity and Affordability

This session highlights the concept of debt capacity and includes a discussion on methods and approaches to measure and understand an agency's debt capacity. Speakers also address debt affordability and the issuer's ability to repay debt given current and potential future economic conditions.

Danny Kim, Partner, Norton Rose Fulbright US LLP

Nikolai J. Sklaroff, Director – West Region, Public Finance, Wells Fargo Securities

SESSION TWO

10:00 AM Debt Policy and Plan of Finance

Speakers illustrate the importance of creating and updating a public agency's debt policy and a plan of finance. This session builds on the concepts of debt affordability and debt capacity introduced in the prior session and addresses the main components and objectives of a public agency debt policy and a plan of finance.

Sara Oberlies Brown, Managing Director, Stifel, Nicolaus & Company, Inc.

Robert A. Porr, Senior Vice President, Fieldman, Rolapp & Associates, Inc.

10:45 AM Break

SESSION THREE

11:00 AM Debt Structuring

Once the decision is made to issue debt and the plan of finance has been developed, agency officials must size the debt issue, calculate and schedule debt service, and determine the various features of the issue. This session covers the process and key considerations when structuring debt and repayment, including repayment source, term of repayment, interest rate (variable rate vs. fixed rate), use of credit enhancement, debt service coverage, and other covenants required by the market.

*Scott Nagelson, Managing Director, US Bancorp Municipal Securities Group
Anna Sarabian, Senior Vice President, Fieldman, Rolapp & Associates, Inc.*

12:30 PM Luncheon for All Participants and Speakers

SESSION FOUR

1:45 PM Credit Quality and the New Dynamics of Credit Ratings

This session covers credit rating basics and the fundamental credit analysis that supports a credit rating. Speakers discuss the key factors affecting ratings, including current economic conditions, split ratings, and how to effectively communicate with rating analysts and investors.

*Jay Goldstone, Managing Director, Public Finance Group, Mitsubishi UFJ Financial Group
Jen Hansen, Associate Director, Standard & Poor's Ratings Services*

2:45 PM Break

SESSION FIVE

3:00 PM Marketing and Pricing

This session covers the concepts, techniques, and challenges of marketing and pricing a bond issue. The speaker addresses the relationship between price and yield, market trends and uncertainties, and the selection of a sales method (e.g., competitive or negotiated). In addition, the session looks at various aspects of the pricing process including the data used to market and price issues, the steps an issuer can take to ensure bonds are issued at the best price, and the variations that exist across different market sectors (e.g., G.O. vs. 501(c)3 health care).

*Marc Hughes, Managing Director, Public Finance, Mesirow Financial, Inc.
Stephen J. (Jay) Murphy, Managing Director, National Syndicate Manager,
MesirowFinancial, Inc.*

SESSION SIX

4:30 PM Improving Market Efficiency by Expanding Investor Base

Government entities share a common objective when issuing municipal bonds – to receive maximum proceeds at the lowest possible cost. But over the long term, best execution also means reaching a broad spectrum of buyers and “building a brand” with all investor segments. All firms cover the large institutional buyers, but certain segments, including retail buyers, are traditionally harder to reach. This session provides an understanding of how issuers can connect with all investors to lower their costs.

Debra Saunders, Vice President, Municipal Underwriting, Fidelity Capital Markets

5:15 PM End of Day Two