

DAY 2: PLANNING A BOND SALE

February 13, 2019

Riverside Convention Center
3637 5th Street
Riverside, California 92501

Agenda

Day 2, *Planning a Bond Sale*, is focused on the preparation, planning, and processes involved in issuing municipal debt, including, but not limited to, the development of a written debt policy and plan of finance, structuring debt service payments, managing cost of issuance, and credit analysis.

8:00 AM Registration

8:30 AM Welcome and Opening Remarks

SESSION ONE

8:40 AM Debt Policy and Plan of Finance

This session covers the importance of developing and maintaining a debt policy and how this document assists in guiding the public agency's decisions about the issuance and repayment of debt. The discussion will include the importance of aligning financing projects, the methods and approaches to measuring an agency's debt capacity and affordability, and how issuers develop and use a plan of finance.

David Brodsly, Managing Director, KNN Public Finance

*LuAnne Edwards Schurtz, Deputy Executive Officer, Finance, Los Angeles County
Metropolitan Transportation Authority*

10:15 AM Break

SESSION TWO

10:30 AM Group Exercise and Discussion: Creating the Project Plan

In groups, attendees will discuss how using a capital improvement plan can assist in ensuring the project is in agreement with the agency's debt policy and deciding who benefits from the project and who is obligated to pay for it.

David Brodsly, Managing Director, KNN Public Finance

*LuAnne Edwards Schurtz, Deputy Executive Officer, Finance, Los Angeles County
Metropolitan Transportation Authority*

SESSION THREE

11:15 AM Selecting Your Consultants and the RFP or RFQ

This session will provide participants with resources and examples of requests for proposals and qualifications when looking to procure the right consultant for a finance team.

Theresia Trevino, Chief Financial Officer, Riverside County Transportation Commission

11:45 PM Luncheon for all Participants and Speakers

SESSION FOUR

12:45 PM Debt Structuring and Refunding

Once the decision to issue debt is made and the plan of finance has been developed, agency officials and staff 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 the source of repayment, term of repayment, interest type (variable rate vs. fixed rate), the use of credit enhancement, debt service coverage, type of sale (public or private) and other covenants required by the market. This session will also present the concepts of refunding debt, the types of refunding, the purpose and approaches to refunding.

Eric Goldstein, Debt Management Specialist, The Metropolitan Water District of Southern California

Scott Nagelson, Managing Director, US Bancorp Municipal Products Group

SESSION FIVE

2:15 PM Bond Documents

This session focuses on the legal documents and procedures that govern debt issuance by public agencies. Speakers discuss the function of each document and the importance of review and approval of these documents by an issuer. Documents used in private placements and direct loans will also be discussed.

Jacquelynne M. Jennings, Partner, Schiff Hardin LLP

3:15 PM Break

SESSION SIX

3:30 PM Credit Quality and the New Dynamics of Credit Ratings

This session covers the fundamental credit analysis that supports a credit rating, the different components that make up a credit rating, rating changes, and the cost associated with difference between ratings. Speakers discuss the key factors affecting ratings,

including current economic conditions and methods to effectively communicate with rating analysts and investors. Speakers also address the use of credit enhancement.

Eric Hoffmann, Senior Vice President and Manager, Moody's Investors Service

SESSION SEVEN

4:30 PM Working with the Governing Body

This session describes how staff obtain formal approval from the governing body to sell bonds. The speaker will describe the key points and identify additional resources, such as reports or person(s), the finance department can utilize to present to the governing body.

Theresia Trevino, Chief Financial Officer, Riverside County Transportation Commission

5:00 PM End of Day 2