

# DAY 1: DEBT BASICS

February 12, 2019

Riverside Convention Center  
3637 5<sup>th</sup> Street  
Riverside, California 92501

## Agenda

Day 1 of this three-day seminar covers the fundamental elements of debt financing, from the core concepts of bond math to the types of debt state and local governments can issue. It is designed to provide municipal financing principles through lecture and short examples and exercises.

**8:00 AM**    **Registration**

**8:30 AM**    **Welcome and Opening Remarks**

**8:35 AM**    **Introduction: Evolution of the Bond Market**

This opening session will provide the significance of municipal bonds in the US financial market and a brief history of the bond market. The discussion will include historical events that shaped the US bond market, issuance trends, key regulatory players in the market, and recent events affecting issuers and investors.

*Juan Fernandez, Executive Director, Public Finance Department, JP Morgan*

### SESSION ONE

**9:10 AM**    **Bond Concepts**

This session offers key concepts and principles, including coupon, price, amortization, debt service, debt structure, yield, and basic bond math. The panel will also introduce the concepts of credit, arbitrage, sale methods, debt policy and plan of finance.

*G. Craig Hill, Principal, NHA Advisors  
Christina Turner, City Manager, City of Morgan Hill*

**10:55 AM**    **Break**

### SESSION TWO

**11:10 AM**    **Financing Options: Which Type of Debt Is Best for Your Project, Part 1**

This session offers a discussion of debt financing options, including general obligation bonds, certificates of participation, lease and utility revenue bonds, and sales tax revenue

bonds. Speakers address repayment sources, use of bond proceeds, tax limits, bond authorizations, marketability, and best practices associated with each of these financing options. Attendees will gain an understanding of the various considerations, risks, and benefits to issuing debt and what factors affect the cost of issuance.

*Brian D. Quint, Partner, Quint and Thimmig LLP*

*Renee N. Vancho, Vice President, Public Finance Investment Banking, Piper Jaffray & Co.*

**12:25 PM Luncheon for All Participants and Speakers**

**SESSION THREE**

**1:25 PM Financing Options: Which Type of Debt Is Best for Your Project, Part 2**

This session addresses land-secured financing, enhanced infrastructure financing districts, conduit bonds, short-term instruments, and direct lending. Speakers will define interim options for capital financings and cash flow purposes, describe how to understand covenants, and discuss how provisions can change and influence the market.

*Eileen Gallagher, Managing Director, Stifel*

*James A. Wawrzyniak, Jr., Shareholder, Jones Hall APLC*

**SESSION FOUR**

**2:25 PM Roles and Responsibilities of Debt Issuers and Finance Team Members**

This session discusses the different responsibilities of team participants when issuing debt. Topics include best practices for hiring financing consultants and the changing roles and obligations of consultants as a result of regulatory reforms.

*Michael Busch, Chief Executive Officer, Urban Futures, Inc.*

*Kevin Hale, Of Counsel, Orrick, Herrington & Sutcliffe LLP*

*Thomas Jacob, Director, Stifel*

*Brooke McKinney, Treasury Operations Division Manager, City of Moreno Valley*

**3:45 PM Break**

**SESSION FIVE**

**4:00 PM Group Exercise and Discussion: Bond Math**

Seminar participants will break into discussion groups for a bond math exercise that illustrates how the concepts of yield, coupon, and interest rate are interrelated.

*Joanna Bowes, Managing Director, KNN Public Finance*

*Erwin Tam, Vice President, KNN Public Finance*

**5:00 PM End of Day 1**