

California Debt and Investment Advisory Commission

Debt 1: DEBT BASICS

March 13, 2012
Kellogg West Conference Center
Pomona, CA

Agenda

8:00am **Registration**

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

Mark Campbell, Executive Director, CDIAC

8:35 am **Introduction to the Bond Market**

This opening session will provide a brief history of the bond market, a discussion of recent events affecting issuers and investors, and the significance of municipal bonds in the US financial market.

David Brodsky, Managing Director, KNN Public Finance

Session One

9:00am **Bond Concepts and Overview**

This session provides a foundation for understanding municipal bonds, including terminology, bond math, yield, basic debt structures, debt service, and amortization options, as well as a description of bond programs created under ARRA.

David Brodsky, Managing Director, KNN Public Finance
Cheryl Hines, Managing Director, Raymond James & Associates, Inc.

9:45am **Break**

Session Two

10:00am **Long-term Debt Financing Options: Understanding Best Practices**

This session entails an in-depth discussion of general obligation bonds (GO), certificates of participation (COPs), and enterprise revenue bonds (ERBs), and other long-term financing options. The discussion includes repayment sources, use of bond proceeds, legal limitations, authorizations, marketability and best practices.

Jeffrey Stava, Esquire, Nossaman LLP
Kimberly Quinones, Managing Director, Ramirez & Co., Inc.

Session Three

11:15am **Current Short-term Financing Options**

Government agencies often use short-term instruments to bridge capital financings and smooth operating cash flows. This session details what tools work in the current market and provides an in-depth understanding of the timing and other important considerations for issuing. Speakers discuss:

- Current economic conditions impacting cash flows
- Definition of interim financing
- Short-term market dynamics
- Interim financing options for capital financings and cash flow
- Options replacing ARS and VRDBs

Debra Saunders, Vice President, Fidelity Capital Markets
Betsy Kiehn, Vice President, Stifel, Nicolaus & Co.,

12:15pm **Lunch**

Session Four

1:15pm **Changing Roles and Responsibilities of Debt Issuers and Finance Team Members**

This session engages the perspectives of the issuer and the financing team in considering what finance managers need to know when issuing municipal debt. Speakers discuss the roles and responsibility on a finance team, the scope of new debt financing, and the various liabilities that issuers face when issuing debt.

Facilitator: Brent Mason, Finance Director, City of Riverside
Brian Forbath, Shareholder, Stradling Yocca Carlson & Rauth LLC
Chris Lynch, Attorney and Vice President, Jones Hall
Brian Thomas, Managing Director, Public Financial Management
Raul Amezcua, Principal, De La Rosa & Co.

2:45pm **Break**

Session Five

3:00pm **Cost of Issuance**

Finance managers have a responsibility to taxpayers to keep the cost of issuance low. This session exposes what is included in the cost of issuance and discusses ways in which government agencies can manage their costs. In addition, practitioners will illustrate how the use of industry data can assist issuers in determining the range of acceptable costs of issuance.

Glenn Byers, Assistant County Treasurer-Tax Collector, Los Angeles County
Makiko Sato, Assistant Vice President, KNN Public Finance

3:45pm

Initial Disclosure

This session outlines disclosure responsibilities of municipal market participants under the Securities and Exchange Commission Rules 10b-5 and 15c2-12. Speakers cover initial disclosure requirements and the ramifications of noncompliance. In addition, the session addresses public inquiries and the use of the Internet to post financial information.

Victor Hsu, Partner, Fulbright Jaworski LLP

4:45pm

Close of Seminar