

# Debt 1: DEBT BASICS

March 17, 2015  
Riverside Convention Center  
Riverside, California

## Agenda

Tuesday, March 17<sup>th</sup>

**8:00 AM**    **Registration**

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

*The Honorable John Chiang, California State Treasurer*

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

This opening session provides a brief history of the bond market and recognizes its significance in the financial markets. The discussion covers recent events affecting issuers and investors, such as concerns about the tax status of public debt, bank “liquidity” rules, and capital appreciation bonds.

*David Brodsky, Managing Director, KNN Public Finance*

### SESSION ONE

**8:50 AM**    **Bond Concepts**

This session offers key concepts and principles of municipal debt, including but not limited to amortization, debt service, debt structure, and yield—concepts which provide the foundation for the remaining sessions.

*David Brodsky, Managing Director, KNN Public Finance  
Cheryl Hines, Managing Director, William Blair & Company*

**9:45 AM**    **Break**

### SESSION TWO

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

This session offers an in-depth discussion of long-term debt financing options including general obligation bonds, certificates of participation, and revenue bonds, among other

types of long-term debt. Speakers address repayment sources, use of bond proceeds, legal limitations, bond authorizations, marketability, and best practices associated with each of these financing options.

*Eileen Gallagher, Managing Director, Stifel, Nicolaus & Company, Inc.*  
*Victor Hsu, Partner, Norton Rose Fulbright US LLP*

### **SESSION THREE**

#### **11:15 AM Current Short-term Financing Options**

Government agencies often use short-term instruments to bridge capital financings and smooth operating cash flows. In addition, local governments may acquire loans directly from banks. This session seeks to define short-term and interim financing options for capital financings and cash flow purposes. Speakers discuss current economic conditions influencing cash flows and the short-term market and describe the differences in costs between instruments.

*Ken Gambone, Executive Director, Public Finance Investment Banking Group, Mizuho Bank*  
*Theresia Trevino, Chief Financial Officer, Riverside County Transportation Commission*

#### **12:15 PM Luncheon for All Participants and Speakers**

### **SESSION FOUR**

#### **1:15 PM The Changing Roles and Responsibilities of Debt Issuers and Finance Team Members**

This session takes the perspectives of the issuer and the financing team to identify what finance managers need to consider when issuing municipal debt, including the various liabilities public agencies face. Speakers examine how the adoption of the Municipal Advisor Rule has affected the relationship between the issuer and finance team members as well as the changing roles and responsibilities of each.

*Raul Amezcua, Managing Director, Stifel, Nicolaus & Company, Inc.*  
*Scott Catlett, Assistant Finance Director, City of Riverside*  
*Brian Forbath, Shareholder, Stradling Yocca Carlson & Rauth*  
*Brent Mason, Finance Director, City of Riverside*  
*Scott Smith, Vice President, CSG Advisors, Inc.*

#### **3:00 PM Break**

### **SESSION FIVE**

#### **3:15 PM Cost of Issuance**

Public agencies that choose to issue debt are often dependent upon a host of professionals that must be compensated for their efforts. This session discusses what is included in the cost of issuance and ways in which government agencies can manage issuance costs.

*David Brodsky, Managing Director, KNN Public Finance*  
*Charles Turner, Director of Finance, Eastern Municipal Water District*

## SESSION SIX

### **4:00 PM Initial Disclosure**

This session outlines initial (i.e. at the time of issuance) disclosure responsibilities of municipal market participants under the Securities and Exchange Commission Rules 10b-5 and 15c2-12. Speakers describe standard disclosure requirements and the ramifications of noncompliance.

*Scott Catlett, Assistant Finance Director, City of Riverside  
Scott Ferguson, Shareholder, Jones Hall*

### **5:00 PM End of Day One**