



NFMA

Twenty-Ninth Annual Conference

Four Seasons Las Vegas

Las Vegas, Nevada

April 17 – 20, 2012





N F M A T W E N T Y - N I N T H A N N U A L C O N F E R E N C E

TUESDAY, APRIL 17TH

7:00 – 8:00 p.m.

Welcome Reception:
**Sponsored by National Public
Finance Guarantee.**



WEDNESDAY APRIL 18TH:

7:30 – 8:15 a.m.

Registration and Continental Breakfast

8:15 – 8:30 a.m.

Welcoming Remarks – *Gregory Aikman*, CFA, Vice President, BNY Mellon Wealth Management, NFMA Chairman • *David Belton*, Head of Municipal Bond Research, Standish Mellon Asset Management, and *Geoffrey Buswick*, Managing Director, Standard & Poor's Ratings Services, Conference Co-Chairs

8:30 – 9:15 a.m.

Keynote Address – *Mary Miller*, Assistant Secretary for Financial Markets, U.S. Department of Treasury

9:15 – 10:30 a.m.

Industry Roundtable: Challenges to the Tax-Exempt Status of Municipal Bonds

Moderator: *Gregory Aikman*, CFA, Vice President, BNY Mellon Wealth Management, NFMA Chairman

Panelists: *Representative, ICI* • *Kristin Franceschi*, President, NABL • *Lynnette Kelly*, Executive Director, MSRB • *Alan Polsky*, Senior Vice President, Dougherty & Company, MSRB Chair • *Susan Gaffney*, Director, Federal Liaison Center, GFOA

10:30 – 10:45 a.m.

Break

10:45 a.m. – Noon

Aging and its Impact on Municipal Credit

It is well known that the nation's population is aging at an unprecedented rate, but the impact this trend will have on municipal finances may not be fully understood. This issue touches many important areas beyond health care costs and delivery, including labor force characteristics, voter preferences, education system quality and, ultimately, economic growth. Our panel will frame this issue, interpret recent demographic trends and explore their implications, including potential policy responses.

Moderator: *Stephen Stowe*, Credit Research Associate, Samson Capital Advisors, LLC

Panelists: *Mehmet S. Tosun, Ph.D.*, Associate Professor and Director of Graduate Programs in Department of Economics, University of Nevada • *Susan Rhodes*, Social Work Supervisor, Clark County Social Service • *Tom Gillaspay*, Demographer, State of Minnesota

12:15 – 1:45 p.m. Luncheon

Luncheon Speaker: – The Honorable *Kate Marshall*, Treasurer, State of Nevada

2:00 – 2:15 p.m.

NFMA Business Meeting

2:15 – 3:30 p.m.

How Global Fiscal/Monetary Policies and Sovereign Credit Affect the US Municipal Market

Municipal analysts have long considered the impact of U.S. fiscal and monetary policy on interest rates and the economy. As we have recently seen, however, it is becoming increasingly necessary for municipal analysts to consider global fiscal and monetary policies, as well as sovereign credit, since these can have profound effects on our local economies and financial markets, and consequently, municipal credit. Panelists will bring us up-to-date on fiscal and monetary challenges around the world, including a discussion of the credit quality of key sovereign governments in Europe and Asia; and the potential for contagion into the United States through exposures of money market funds to European banks. The panel will also address how global trends should inform our thinking on what the next U.S. economic downturn might look like.

Moderator: *David T. Litvack*, Managing Director, Municipal Strategist, U.S. Trust, Bank of America Private Wealth Management

Panelists: *Robert T. McGee*, Managing Director, Director of Macro Strategy & Research U.S. Trust, Bank of America Private Wealth Management • *Bart Oosterveld*, Managing Director – Sovereign Risk, Moody's Investors Service • *Robert Grossman*, Managing Director – Macro Credit Research, Fitch Ratings

3:30 – 3:45 p.m.

Break

3:45 – 5:00 p.m.

Politics and Policy, 2012: America at a Turning Point

Few times in our nation's history have we found ourselves at such a critical crossroads:

- A divided Congress
- Easy money but calls for fiscal austerity
- Renewed attempts at regulating the financial sector

What are the implications of these far-reaching debates for our economy, our industry, and our market? How will the 2012 elections change the balance of power? What does the future hold for the effort to balance the budget, regulate financial excesses, and for the role of municipal bonds in financing state and local government? How are states dealing with the fallout from the federal level, and how are they managing their own internal debates in a time of constrained budgets? Our distinguished panel of experts will share their insights on the future of public policy and more.

Moderator: *Raymond Kubiak*, Portfolio Manager/Senior Analyst, Longfellow Investment Management

Panelists: *Gary Blank*, Sr. Vice President, Public Policy, Fidelity Investments • *David Damore*, Ph.D., Associate Professor of Political Science University of Nevada, Las Vegas • *Billy Hamilton*, Columnist, State Tax Notes and former Deputy Comptroller, State of Texas

Free Evening





N F M A T W E N T Y - N I N T H A N N U A L C O N F E R E N C E

THURSDAY APRIL 19TH

7:00 – 8:00 a.m.

Continental Breakfast

8:00 – 9:00 a.m.

Breakout Sessions

1,2,3,4

and

9:30 – 10:30 a.m.

Breakout Sessions

1,2,5,6

and

11:00 a.m. – Noon

Breakout Sessions

3,4,5,6

1. The Future of K-12 Funding

With states facing tight budgets and tough financial decisions, we have been seeing for the first time in recent history, significant K-12 funding cuts. We are also seeing declining assessment values and lower federal funding levels. It seems many of the traditional funding sources for education are decreasing. This panel will address the future of K-12 funding and address charter versus traditional public school pros and cons. How do schools provide quality education with fewer resources?

Moderator: *Julie M. Egan*, Senior Vice President & Portfolio Manager, Community Capital Management, Inc.

Panelists: *Wendy Berry*, Independent Public Finance Consultant, Specializing in the Charter School Sector • *Daphne A. Kenyon, Ph.D.*, Visiting Fellow, Lincoln Institute of Land Policy • *Jeff Weiler*, Chief Financial Officer, Clark County School District, Las Vegas, Nevada

2. The “Big 3” – Man-made Disasters That Changed Public Finance History

The bankruptcy, default, and fiscal crisis of Orange County, WPPSS, and New York City, respectively, each had a profound and lasting impact on the municipal market, municipal governance and methods of financing municipal debt. This panel will examine these three prominent cases of fiscal distress. Panelists will analyze the various underlying factors that contributed to each fiscal crisis, including over-spending, excessive reliance on derivatives and legal flaws. Panelists will reveal how these situations were eventually resolved and will discuss what lessons learned from these cases may be applied to today’s environment of stressed municipal finances.

Moderator: *Nicole Byrd*, Head of Tax Exempt Research, Wilmington Trust

Panelists: Orange County - *Bennett J. Murphy*, Partner, Dewey & LeBoeuf LLP; WPPSS • *Daniel Pope*, Professor of History, University of Oregon • New York City • *Dick Larkin*, Director of Credit Analysis, Herbert J. Sims & Co., Inc.

3. Water: A Lifeline for Economic Development

As we gather in the heart of the desert, this panel will explore water as a driver or detriment to economic development. Water is a renewable resource; as such, how do we interpret claims of sufficiency, scarcity or abundance? How do the issues vary among regions? What strategies are employed to plan for the future and promote sustainable growth? Will communities need to choose between maintaining current lifestyles at the expense of attracting future development or is it possible to have both? Please join us as we explore the topic of water and economic development with those immersed in influencing policies today.

Moderator: *Lisa Shirley*, Vice President/Research Analyst, Franklin Templeton

Panelists: *Betsy Otto*, Aqueduct Director, Markets and Enterprise Program, World Resources Institute • *Brian Thomas*, Managing Director, Public Financial Management • *Grady Gammage, Jr.*, Senior Research Fellow, Morrison Institute for Public Policy, ASU, Attorney, Gammage and Burnham

4. How Are Airports Adapting to Existing Challenges and What Are the Implications for Investors?

This panel will consider investors in both General Airport Revenue Bonds (GARBs) and Special Facility Revenue bonds. GARBs, traditionally considered one of the most resilient and stable financing vehicles, face the following challenges: airline consolidation, volatile fuel prices, economic uncertainty, reduced enplanements from 2007 levels, significant capital needs and questions regarding FAA reauthorization and funding. Speakers on this panel will discuss these challenges and their impact on airport operators and investors. The panel will also review airline bankruptcies' impact on the recovery for investors in special facility revenue bonds.

Moderator: *Ann Ferentino*, Vice President/Senior Investment Analyst, Federated Investors

Panelists: *Kenneth D. Fullerton*, Managing Director, Public Financial Management • *Susan Rhudy*, Director, Citi • *Peter C. Stettler*, Director, Ricondo & Associates

5. The Outlook for Housing and Property Tax Collections

Home prices and property taxes are critically important to the municipal market. This panel will focus on the outlook for housing nationally as well as which regions face the most stress going forward. Panelists will explore property tax assessments and collections following the housing bubble. What is the impact of assessment limitations, especially Prop 13 in California, on municipalities? How can analysts identify regions and municipalities struggling with home price declines and lagging property tax collections? We will also discuss how to compare revenue and tax trends among cities.

Moderator: *Hannah DeQuadros*, Vice President, Morgan Keegan

Panelists: *Beth Ann Bovino*, U.S. Deputy Chief Economist, Standard & Poor's • *Kim Rueben*, Senior Fellow, The Urban Institute • *Andrew Reschovsky*, Professor of Public Affairs and Applied Economics, University of Wisconsin-Madison

6. Energy Development After Fukushima

Since the Fukushima nuclear power plant accident in March 2011, the landscape for power development has radically shifted. Construction on a handful of new nuclear plants continues to move forward in the U.S., but the accident in Japan has raised questions about nuclear energy's viability and whether it should be expanded. Simultaneously, higher global oil prices, an abundance of domestic natural gas production, growing efficiencies in solar, wind and other alternatives, and a shifting regulatory environment are remaking utilities' approaches to energy development. This panel will explore the question of how utilities will satisfy growing power demand, what role nuclear energy may play, and whether alternatives or new domestic fossil fuel sources can meet future demand growth. The panel will also discuss how heightened environmental concerns, including new regulations, will affect utilities' decisions.

Moderator: *Dennis Pidherny*, Senior Director and Public Power Sector Head, Fitch Ratings

Panelists: *Randy S. Howard*, Director of Power System Planning and Development, Los Angeles Department of Water and Power • *Edward Meyers*, Managing Director, Energy and Power Infrastructure Group, BMO Capital Markets • *Sharon M. Reishus*, Senior Director, Gas, Power, Renewables, Americas IHS CERA





N F M A T W E N T Y - N I N T H A N N U A L C O N F E R E N C E

12:15 – 1:00 p.m.

Brown Bag Lunch – Nevada Issuers Presentations

Issuers may include: City of Las Vegas
Clark County
Clark County School District
Las Vegas Valley Water District/
Southern Nevada Water Authority

Optional – Must Register to Attend.

12:15 – 1:15 p.m.

Past Chairs Brown Bag Lunch – All Past NFMA Chairs and the current NFMA Executive Committee

1:30 – 5:00 p.m.

Guided Bus Tour – City of Las Vegas, **Visit to the Springs Preserve**

The bus will board at 1:30 p.m. and will return to the Hotel at approximately 5:00 p.m. Please wear casual clothes and walking shoes. Reservations are required for the City of Las Vegas/Springs Preserve Tour. The cost of the afternoon is \$25.

The **City of Las Vegas** tour will currently planned to include: New City Hall & Bonneville Transit, Center, Symphony Park Area (The Smith Center, Brain Health Center, Las Vegas World Market Center, Las Vegas Premium Outlets, Clark County Complex, Molasky Corporate Center, IRS Building), Former City Hall/New Zappos Building, Cultural Corridor (Shakespeare Company, Cashman Center, Neon Boneyard), and, Fremont East Entertainment District.

Springs Preserve Overview Tour - Not sure where to begin? Covering more than 180 acres, the Springs Preserve can be quite daunting to many visitors, making the Springs Preserve Overview Tour the ideal way to get started. With stops at the Origen Museum galleries, the green buildings of the Desert Living Center, the lush Gardens, the prehistoric archaeological sites and native wildlife habitats on the trails, this tour gives visitors a sampling of all the Preserve has to offer and serves as the perfect jumping off point for future exploration.

Free Afternoon

7:00 – 10:00 p.m.

Reception and NFMA's Annual Award Dinner

Join us for a special evening with entertainment by **"Tina Turner, Cher and Elvis."**



FOUR SEASONS HOTEL
Las Vegas

FRIDAY APRIL 20TH

8:00 – 8:45 a.m. **Continental Breakfast**

8:45 – 10:00 a.m. **Transportation Infrastructure – Funding Needed Projects in an Era of Restricted Resources**



Upgrading and modernizing transportation infrastructure have been much debated as a means to jumpstart the economy and improve global competitiveness. The current fiscal environment points toward having to prioritize and develop needed infrastructure projects with reduced resources. Going forward, state and local authorities will need to explore alternatives such as privatization, PPPs and TIFIA loans to advance critical projects in a timely fashion. This panel will provide an overview of the upcoming challenges, the prospects for innovative solutions and their implications for the municipal bond market. The panelists will bring a diverse mix of experience to the discussion of investment opportunities and the associated risks for infrastructure projects.

Moderator: *Mark Ryan*, Managing Director, Municipal Credit Analytics, Citigroup Global Markets, Inc.

Panelists: *Jack Basso*, Director of Program Finance and Management, American Association of State Highway and Transportation Officials • *James M. Bass*, Chief Financial Officer, Texas Department of Transportation • *Richard G. Little*, AICP, Senior Fellow, Price School of Public Policy, University of Southern California

10:00 – 10:15 a.m.

Break

10:15 – 11:30 a.m.

Confronting Pension and OPEB Liabilities: Frameworks for Resolution and Reform

This panel will discuss emergence of various remedial measures that have been proposed and enacted to address pension and OPEB liabilities. Specific topics to be covered include:

- A summary of core provisions of new GASB accounting proposals and the likely impact these proposals will have on municipal financial statements
- A survey of remedial legislative and other measures being taken across the nation to manage pension and OPEB liabilities
- Legal limitations on the ability of states to amend pension plans
- Strategic considerations governing the use of Chapter 9 for distressed credits

Moderator: *Gerard Lian*, Senior Analyst, Invesco

Panelists: *David L. Dubrow*, Partner, Arent Fox; • *Amy B. Monahan*, Professor, University of Minnesota Law School • Third panelist TBD

11:30 a.m.

Conference Adjourns

**See you next year in San Diego -
April 30 - May 3, 2013**





2012 Annual Conference Planning Committee:

- > *David Belton, Standish Mellon Asset Management, Co-Chair*
- > *Geoffrey Buswick, Standard & Poor's Ratings Services, Co-Chair*
- > *Nicole Byrd, Wilmington Trust*
- > *Hannah DeQuadros, Morgan Keegan*
- > *Julie Egan, Community Capital Management*
- > *Ann Ferentino, Federated Investors*
- > *Raymond Kubiak, Longfellow Investment Management*
- > *Gerry Lian, Invesco Fixed Income*
- > *David Litvack, US Trust*
- > *Andrea McKeague, McDonnell Investment Management, LLC*
- > *Doug Offerman, Fitch Ratings*
- > *Michael Royce, Columbia Management*
- > *Lisa Shirley, Franklin Templeton*
- > *Stephen Stowe, Samson Capital Advisors*

NFMA Sponsors 2012

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THANKS to all of our 2012 sponsors!

Sponsorship Opportunities: Contact *Lisa Good*, NFMA Executive Director, at 412-341-4898, or lgood@nfma.org, if your firm is interested in being a sponsor.





Conference Registration Fee:

Before March 15

\$600 Member

\$700 Non-Member

After March 15

\$650 Member

\$750 Non-Member

The registration fee includes all continental breakfasts, Wednesday's lunch, cocktail receptions and Thursday's dinner.

Registration is online only. You may pay by credit card, e-check or check. Confirmations will be sent to the email address used for registration. NFMA members must register with usernames and passwords to obtain the Member Discount. No refunds will be given to members who register at the higher non-member rate. Checks should be made payable to the **NFMA and sent to: NFMA, PO Box 14893, Pittsburgh, PA 15234 no later than April 6.**

Guest Reception and Dinner Registration

\$100 for guest attending with conference registrant.

Cancellation Policy for Conference

Prior to March 24 – Full refund less \$50 processing fee.

From March 24 – April 6 – Refund equal to 50% of the registration fee.

After April 6 – No refund.

Substitutions from the same firm are permitted with prior notice to the NFMA. Walk-in registrations are discouraged; there is no guarantee of a seat for walk-in registrants.

Hotel Reservations

The Four Seasons Las Vegas, 3960 Las Vegas Boulevard South, is the site of this year's Annual Conference. Reservations must be made by calling the hotel reservation department directly at **877-632-5000** or **702-632-1500**, or by going to <http://www.1.fourseasons.com/lasvegas/minisite/meeting/NFMA2012/> and reserving online. Reservations must be made prior to March 24; after this date, rooms will be released for general sale. The group rate is \$295 per night; subject to availability, the hotel will offer the group rate for three days before and three days after the conference. Check-in is at 3 p.m., and checkout is at noon.

Cancellation fees will apply for rooms cancelled within 5 days prior to arrival.

Hotel Room Block

The NFMA enters contracts with hotels two to three years in advance of each annual conference. Predicting attendance levels is difficult, and therefore contracting for an accurate number of rooms for conference attendees is not always possible. Further, it is necessary to agree to a sufficient number of rooms in order to reduce or eliminate the cost of meeting space. Failure to fill rooms results not only in the payment of high meeting room rentals, but also in direct fees to the NFMA in the way of payment for unfilled rooms. Please reserve rooms in the room block and do so when you are certain you will attend.

Ground Transportation

McCarran International Airport (LAS) is three miles away from the hotel. Taxi service is available at a cost estimated to be \$35-\$40. Shuttle service is available at a cost of \$7 per person; multiple stops should be anticipated. The hotel concierge will arrange for transfers in 7-passenger SUVs at a total rate of \$88.60. To reserve this service, please call the concierge desk at 702-632-5300 and be prepared to provide flight information for each passenger.

Suggested Attire

Business casual is suggested for all conference registrants and speakers.

Questions/Concerns

Contact Lisa Good, NFMA Executive Director, at 412-341-4898, or lgood@nfma.org

The NFMA would like to recognize its Chairmen:

- 1983-84** – George P. Gregorio
- 1984-85** – Richard A. Ciccarone
- 1985-86** – Jeffrey B. Noss
- 1986-87** – Peter J. Fugiel
- 1987-88** – Steven Tabb
- 1988-89** – Leon J. Karvelis, Jr.
- 1989-90** – G. Keith Quinney, Jr.
- 1991** – Mary Jo Ochson
- 1992** – Victoria Rupp Westall
- 1993** – Katherine R. Bateman
- 1994** – Thomas Kenny
- 1995** – William Oliver
- 1996** – Maureen Newman
- 1997** – Jeffrey M. Baker
- 1998** – Raymond Kubiak
- 1999** – Mary Metastasio
- 2000** – Dina Kennedy
- 2001** – Alan Polsky
- 2002** – Peter Bianchini
- 2003** – Karen Szerszen
- 2004** – Gerry Lian
- 2005** – Donald King Cirillo
- 2006** – Eric Friedland
- 2007** – Tom Weyl
- 2008** – Rob Yolland
- 2009** – Bill Hogan
- 2010** – Mark Stockwell
- 2011** – Gregory Clark
- 2012** – Gregory Aikman





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