

NATIONAL FEDERATION  
*of* MUNICIPAL ANALYSTS

**NFMA 34th Annual Conference**

May 16-19, 2017

Mandarin Oriental • Washington, DC







## TUESDAY, MAY 16TH

1:00 – 5:00 pm

### Registration

7:00 to 8:00 pm

**Welcome Reception** - Sponsored by National Public Financial Guarantee

## WEDNESDAY, MAY 17TH

7:00 – 8:00 am

### Registration

7:30 – 9:00 am

**Continental Breakfast** - Sponsored by Mintz Levin

8:00 – 8:15 am

### Welcoming Remarks –

**Julie Egan**, NFMA Chair, Community Capital Management; **Andrea McKeague**, NFMA Annual Conference Chair, McDonnell Investment Management, LLC

8:15 – 9:00 am

### Keynote Address – U.S. Representative Randy Hultgren

Born and raised in Illinois, and having spent more than 20 years serving Illinois and its citizens at multiple levels of government, Congressman Randy Hultgren represents the state's 14th Congressional District. The district is comprised of seven suburban counties including McHenry, Lake, Kendall, Kane, DuPage, DeKalb and Will.

In Washington, Congressman Hultgren is a member of the Financial Services Committee, the Science, Space and Technology Committee, and a number of caucus and other congressional organizations including co-founding and co-chairing the Congressional Municipal Finance Caucus, dedicated to protecting this key financing tool for local governments and municipalities, and serving as co-chair of the Tom Lantos Human Rights Commission.

Randy was elected to the DuPage County Board and County Forest Preserve Board in 1994, to the Illinois House of Representatives in 1999, and to the Illinois Senate in 2007.

Randy served on the Financial Institutions Committees in the Illinois House and Senate and is credentialed in FINRA Series 7, 6 and 63. He later became a Vice President at Performance Trust Investment Advisors in Chicago.



9:00 – 9:15 am

### Break

9:15 - 10:30 am

### Infrastructure in the United States – Becoming “Second to None”

“We’re going to rebuild our infrastructure, which will become, by the way, second to none.” These comments from President Trump’s acceptance speech pushed the topic of America’s crumbling infrastructure into the spotlight once again. Estimates of the United States infrastructure gap are in the trillions of dollars and Washington may be poised to take a more active role. This panel will provide an in-depth look into the issues surrounding infrastructure investment in America. Where is the investment needed? How competitive is our infrastructure compared to the rest of the world? We will also explore new proposals from the federal government and discuss the roles of private capital and the municipal bond market.

**Moderator:** *Bryan Laing*, Vice President, Fiera Capital

**Panelists:** *Tyler Duvall*, Partner, McKinsey & Company; *Scott Zuchorski*, Senior Director, Fitch Ratings; *Michael Bennon*, Managing Director, Stanford Global Projects Center

10:30 – 10:45 am

### Break



10:45 am – Noon

### **Up-to-Date Interest Rate Curve & Tax Law Changes – What Are the Effects on the Municipal Market?**

Join our panel as we explore up-to-date changes and expectations for the interest rate curve and tax law. With analytical eyes on post-presidential election volatility, our distinguished panel will discuss how policy changes are likely to affect the primary and secondary markets, valuations, liquidity and the different buyers of municipal bonds. How could the lowering of the corporate or personal tax rates affect the different buyers of municipal bonds? How could a rise in the prevailing interest rate expose certain municipal bonds to the de minimis tax rule? What is the latest news on a potential change to the treatment of tax exempt income?

**Moderator:** *Kjerstin Hatch*, Managing Principal, Lapis Advisers

**Panelists:** *Vikram Rai*, Head of Municipal Strategy, Citigroup; *John Miller*, Co-Head of Fixed Income, Nuveen Asset Management; *Thomas Doe*, President and Founder, Municipal Market

12:15 – 2:00 pm

**Luncheon and Awards Presentations** - The NFMA continues its 34-year tradition of presenting awards for outstanding contributions to the organization and to the industry.

2:15 – 3:30 pm

### **Behavioral Finance Traps in Muni Land... and How Can We Avoid Them?**

Ever suffer from regret or overconfidence? Do you rely on “rules of thumb” for making decisions? Are you resistant to taking risks or advice from others? If the answer is “yes”, then rest assured—as human beings, we are all subject to various inherent emotional biases and impulses. However, when these biases are combined with our professional responsibilities, whether it is credit analysis, trading, or portfolio management, the implications can be profound. This session features Professor *Victor Ricciardi*, an expert in the field of behavioral finance, and together, we will explore various psychological pitfalls, explain their importance in the financial services/municipal finance industries, and identify ways to avoid being trapped by your animal instincts!

**Facilitator:** *Harold B. Burger*, Analyst, Putnam Investments

**Panelist:** *Victor Ricciardi*, Assistant Professor, Financial Management, Goucher College

3:30 – 3:45 pm

**Break**

3:45 – 5:00 pm

### **Public Finance: Perspectives from Washington**

Senior Washington insiders will provide their perspectives and insights regarding the current landscape and time line for legislative actions affecting municipal bonds in Washington. The panel will lay out their views of the likely legislative agenda, specifically focused on infrastructure, tax policy, the ACA and PROMESA. This promises to be a highly informative session. Audience participation and interaction is encouraged.

The panel includes a senior Washington lobbyist who will provide an inside track on the legislative agenda, the General Counsel to National Governors Association will provide his view from the states’ perspective and the lead policy advisor for a senior Congressman who will provide insights on the legislative process and time line.

**Facilitator:** *Julie Egan*, Senior Vice President and Portfolio Manager, Community Capital Management, NFMA Chair

**Panelists:** *David Parkhurst*, General Counsel, National Governors Association; *Bill Hulse*, Legislative Assistant for U.S. Representative Randy Hultgren; *David Metzner*, Managing Partner, ACG Analytics

**Free evening**



## THURSDAY, MAY 18TH

7:00 – 8:00 am **Continental Breakfast for Conference Registrants**

7:00 – 8:00 am **Past Chairs Breakfast (for Past NFMA Chairs and Executive Committee)**

8:00 – 9:00 am **Breakout Sessions 1,2,3,4**

and

9:30 – 10:30 am **Breakout Sessions 1,2,5,6**

and

11:00 am – Noon **Breakout Sessions 3,4,5,6**

### **Breakout #1 Accelerating Technological Change – The Impact on State & Local Governments**

This panel will focus on technological change and how it intersects with state and local governments: (a) What are the key technologies coming on board, and how do they affect labor patterns, income, economic trends, governmental policy and planning, and credit? (b) How do cities employ “Smart City” data and technology to move ahead? (c) Specifically, how has the District of Columbia’s use of Smart City techniques worked, what role does the city’s P3 office play, and how does this technological change affect the thought process behind city planning?

**Moderator:** *George Friedlander*, Managing Partner, Court Street Group

**Panelists:** *Jeff Friedman*, Director of Modern Government - State and Local Government, Microsoft;  
*Jeffrey D. DeWitt*, CFO, District of Columbia; *Rebecca Chisholm-Winkler*, Manager Federal Business Development, Cisco

### **Breakout #2 Green on Green: Investing to Better the World...& Your Portfolio**

Sustainable investing continues to expand at a record pace and play a larger role in the market. Green bond issuance reached \$93.4 billion for 2016, double that of the prior year. The growth reinforces efforts to acknowledge and address climate change, highlighted by the Paris Agreement. However, just as Jimmy Carter had solar panels installed on the White House roof only to have Ronald Reagan have them dismantled, what impact will the Trump administration have on this fledgling subsector? Come and hear the perspectives of an issuer, a sustainability expert and an investor.

**Moderator:** *Ted Damutz*, Senior Credit Officer, Moody’s Investors Service

**Panelists:** *Cooper Martin*, Program Director, National League of Cities; *Dan Hartman*, Managing Director, PFM Advisors, LLC;

### **Breakout #3 Recession Risk: Is the U.S. Heading Toward Another Recession?**

Given the current low rate environment, the Fed may be unable to respond adequately to internal or exogenous events, leading to an economic downturn and stock market decline. The panel will discuss the likelihood of the U.S. entering a recession in the foreseeable future and what the possible triggers may be. Which states are the best /worst positioned to weather the storm when the next downturn inevitably comes, and what separates them from the rest of the field?

**Moderator:** *Rachel Barkley*, Vice President, Loop Capital Markets

**Panelists:** *Gregory Daco*, Head of US Macroeconomics, Oxford Economics; *Laura Porter*, Managing Director, Fitch Ratings;  
*Phil Dean*, Utah State Budget Director and Chief Economist, Governor’s Office of Management & Budget





#### **Breakout #4    The Good, the Bad & the Ugly: Starring the Credit Implications of Direct Purchases & Bank Loans**

This panel will undertake a three-part case study of the credit implications of direct purchases & bank loans. The discussion will encompass the impact of credit quality and transaction structure on the municipal issuer, the deal investor/purchaser and the issuer's other bondholders, and best-practices for completing a direct purchase/ bank loan. The panel will include a discussion of a strong highly-rated credit with a well-structured direct purchase, an average credit with a weak bank loan structure, and a weak credit with a weak transaction structure that further negatively impacts the issuer.

**Moderator:** *Bhanu Patil*, Senior Vice President, U.S. Bank

**Panelists:** *Lynnette Kelly*, Executive Director; Municipal Securities Rulemaking Board; *Paul M. Smith*, Partner, Banking Practice Group Chairman, Kutak Rock LLP; *Geoffrey Buswick*, Managing Director & Sector Leader, S&P Global Ratings

#### **Breakout #5    The Future of Stadium Financing: Deal Characteristics & Credit Considerations**

Caveat emptor – will you hit a home run with your next ball park bond purchase or wish you'd spent the money on the credit report? What is the team/sport demand for stadiums in the near future? Beyond the entertainment value, what is the economic gain or loss to the community? How are most stadiums financed? Should stadiums be financed with public money? Should stadium projects be allowed access to tax exempt financing? What are the primary credit concerns with stadium bonds?

**Moderator:** *Alexandra Cimmiyotti*, Vice President- Senior Analyst, Moody's Investors Service

**Panelists:** *Stacy Sonnenberg*, Vice President of Public Sector & Infrastructure Banking, Goldman Sachs; *Chad Lewis*, Senior Director, Global Infrastructure and Project Finance Group, Fitch Ratings; *Michael Leeds*, Chair, Economics Department, Temple University

#### **Breakout #6    Municipal Analyst Scrum**

NFMA Annual Conference attendees will be the featured speakers in a roundtable discussion about topical municipal issues. No municipal subject is off-limits. This will be a complete audience participation-styled event. Several subject matter experts will help guide the conversation on municipal distress situations, pensions, infrastructure, higher education, healthcare, municipal market conditions or other topics of choice.

**Moderator:** *Michael Imber*, Senior Director, Alvarez & Marsal

**Subject Matter Experts:** *William P. Smith*, Partner, McDermott Will & Emery; *Chuck Reed*, Special Counsel, Hopkins & Carley; *Kil Huh*, Senior Director, State and Local Fiscal Health, The Pew Charitable Trusts; *Vincent J. Marriott III*, Partner, Ballard Spahr LLP; *Tim Blake*, Managing Director, Moody's Investors Service; *David G. Hitchcock*, Senior Director, S&P Global Ratings; *Daniel J. Alfonso*, City Manager, City of Miami, Florida; *Adam T. Bergonzi*, Chief Risk Officer, National Public Finance Guarantee

**Free afternoon**



### Thursday Afternoon Activities :

1:00 – 4:00 p.m.

#### **GASB Users Forum**

The Governmental Accounting Standards Board (GASB) will be holding a financial statement user forum in conjunction with NFMA's Annual Conference. The roundtable discussion with NFMA members is being held to receive feedback on the Board's Invitation to Comment, Financial Reporting Model Improvements—Governmental Funds (which may be downloaded at [www.gasb.org](http://www.gasb.org) ). All attendees are invited either to participate in the roundtable discussion or to observe the discussion. The roundtable will focus on a number of reporting model related issues, including three potential recognition approaches for governmental funds (near-term, short-term, or long-term), formats of the governmental funds statements, and terminology that could be used in the governmental fund statements.

Participation in the user forum is limited to external financial statement users, such as municipal bond analysts, bond raters, and bond insurers. All participants are asked to engage in a discussion of the Invitation to Comment, additional issues raised by the Board members and staff, and issues raised by other participants. Every participant will be provided with the opportunity to express his or her views.

Details regarding participation will be provided after the GASB receives a written notice of intent to participate; the deadline for receiving that notice is March 31, 2017. The notification should be emailed to the Director of Research and Technical Activities at [director@gasb.org](mailto:director@gasb.org) (specify Project No. 3-251).

#### **Informal walks/Sightseeing**

The Mandarin Oriental is close to sights such as the Tidal Basin, Jefferson Memorial, Washington Monument, Smithsonian Museums, and is a 20-minute walk to the White House.

6:30 – 8:30 pm

**Cocktail Reception Featuring DC “Meet & Greet”** – Enjoy socializing with invited Washington insiders, including policy planners and members of Congress and/or their staffs during a reception with heavy hors d'oeuvres.





## FRIDAY, MAY 19TH

7:00 – 8:30 am

### Continental Breakfast

8:00 – 9:15 am

### PROMESA: Intended & Unintended Consequences

Can PROMESA help save Puerto Rico? What does the act mean for other troubled credits? What investment opportunities await? The panel discussion will help provide answers to these and other PROMESA-related questions.

**Moderator:** *Amy Johonnett*, Senior Tax Backed Sector Specialist, Fidelity Investments

**Panelists:** *Richard Ravitch*, Former PROMESA Board Member, Former Lieutenant Governor of New York; *Marcy Block*, Senior Director, Fitch Ratings; **Stephen J. Spencer**, Managing Director, Houlihan Lokey's

9:15 – 9:30 am

### Break

9:30 – 11:00 am

### The New Municipal Debt Reality

Confronted by fast changing political, legal and economic dynamics and the overhang of a broader interpretation of debt and liabilities, municipal bondholders are increasingly exposed to new risks and opportunities. This panel will examine the mounting burden of direct and indirect liabilities emanating from labor costs and capital needs, including retiree promises and infrastructure, to assess their impact on municipal credit quality, sectors and individual credits. To what extent are bondholders on a collision course with pensioners and taxpayers? In light of the new political landscape in Washington, has the landscape for federalism and insolvency changed the potential outcome for worst case situations?

**Moderator:** *Richard Ciccarone*, President/CEO, Merritt Research Services, LLC

**Panelists:** *Steven Malanga*, George M Yeager Fellow/Senior Editor, Manhattan Institute/ City Journal; *Thomas Kozlik*, Managing Director & Municipal Strategist, PNC; *Gabriel Petek*, Managing Director, S&P Global Ratings

11:00 – 11:15 am

### Closing Comments & 2018 Invitation –

*Mark Capell*, Conference Co-Chair, Build America Mutual

11:15 am –

### Conference Adjourns

*The views expressed at the Annual Conference are those of the speakers alone and do not necessarily represent those of the National Federation of Municipal Analysts.*





## 2017 ANNUAL CONFERENCE PLANNING COMMITTEE

*Andrea McKeague, Chair, McDonnell Investment Management*

*Mark Capell, Co-Chair, Build America Mutual*

*Rachel Barkley, Loop Capital Markets*

*Harold B. Burger, Putnam Investments*

*Richard Ciccarone, Merritt Research Services LLC*

*Alexandra Cimmiyotti, Moody's Investors Service*

*Ted Damutz, Moody's Investors Service*

*Julie Egan, Community Capital Management*

*George Friedlander, Court Street*

*Kjerstin Hatch, Managing Principal, Lapis Advisers*

*Allen Hoppe*

*Michael Imber, Alvarez & Marsal*

*Amy Johonnett, Fidelity Investments*

*Bryan Laing, Fiera Capital*

*Michele O'Brien, Fitch Ratings*

*Bhanu Patil, U.S. Bank*





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### PLATINUM:

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**Sponsorship opportunities:** Contact *Lisa Good*, NFMA Executive Director, at 412-341-4898, or [lgood@nfma.org](mailto:lgood@nfma.org) if your firm is interested in becoming a sponsor.



## NFMA 35TH ANNUAL CONFERENCE

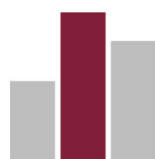
MAY 29 – JUNE 1, 2018

HOTEL DEL CORONADO

CORONADO, CALIFORNIA

The Conference Planning Committee will be formed this summer.

Registration will begin in February, 2018.



NATIONAL FEDERATION  
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## THE NFMA WOULD LIKE TO RECOGNIZE ITS CHAIRS:

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

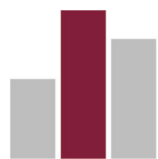
2013 – Jeffrey Burger

2014 – Susan Dushock

2015 – Jennifer Johnston

2016 – Lisa Washburn

2017 – Julie Egan



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