

Municipal Analysts BULLETIN

A NEWSLETTER OF THE NATIONAL FEDERATION OF MUNICIPAL ANALYSTS

NOVEMBER 2023 Vol. 33, No. 3



LETTER FROM THE CHAIR

Dear NFMA Members,

It's hard to believe that we are in the final two months of 2023. We have had a productive year and have so many accomplishments to be proud of.

As a member, you will have received notice recently of the NFMA's FDTA Initial Recommendations on FDTA. The letter was the work product of the FDTA Working Group composed of NFMA members who met regularly over the past several months. The SEC is busy preparing the structure of the FDTA program so our letter is an important tool our analyst community can use to represent our interests. Please make a point of reading the letter (also posted on the NFMA home page), commenting with suggestions, and/or volunteering to participate on the committee as we see the development of the taxonomy related to financial disclosure in the next couple of years.



Mark J. Capell, NFMA Chair

Our educational efforts continue to be best in class, with two strong Advanced Seminars in 2023, covering healthcare and transportation. Thanks to Advanced Seminar Chairs, Jason Pollack, Ellen Cannarsa and Richard Akulich and their planning committees. Eric Kim and Mike Grygo are putting final touches on the NFMA's Introduction to Municipal Bond Credit Analysis, to take place on November 16 and 17 in Philadelphia. We are also excited about the next Advanced Seminar on High Yield Bonds, when we return to Salt Lake City on February 1 and 2. And finally, the Annual Conference is our premier event, and we were more than pleased with both the program and the turnout in Orlando this year under the leadership of Brent Miller and Poonam Patidar. For 2025, Poonam will lead, and Adam Kennedy will co-chair the conference, to be held April 30-May 3 in Philadelphia.

While we all recognize the value of in-person events, the NFMA is in the process of establishing its own YouTube channel where we will post selected sessions from conferences and webinars. Stay tuned for more information on this initiative.

I want to thank our 2023 Executive Committee, Vice Chair John Ceffalio, Treasurer Angela Kukoda, Secretary Neene Jenkins, members Alex Vaisman and Poonam Patidar and Past Chair, Rachel Barkley, all of whom have been working hard on implementing our 2023 platform.

Finally, I would like to remind our members that the NFMA is your organization, and we welcome your feedback and ideas.

Respectfully submitted,

Mark Capell

NFMA Chair

TREASURER'S REPORT

NFMA remains on a sound financial footing. As of October 31, 2023, our combined checking and money market fund account balances, held by PNC Bank, were \$506,297. The balance in our Vanguard brokerage account was \$2.4 million. We will continue to strive to exercise efficiencies through the remainder of the year and in our budget for the coming year. Please feel free to contact me for further discussion at (407) 674-1275 or akukoda@seixadvisors.com

Thank you,
Angela Kukoda
Treasurer



Angela Kukoda



The CSMA board spent the fall working hard on planning our Annual Fall Conference, which took place November 1st- November 3rd in Napa, CA. The agenda included Gabe Petek, California Legislative Analyst as the keynote speaker, and panel discussions on topics such as senior living, water resources, a reporter's roundtable and our fourth annual scrum. The board recently appointed Dave Rodriguez from Saybrook Fund Advisors as our Senior Program Chair and we are excited to have him on the board. In coming weeks, the board will be reviewing applications for our At-Large board position for next year as well as nominations for the Amy S. Doppelt Award.

Alexandra Cimmiyotti
CSMA Immediate Past Chair



Alexandra Cimmiyotti

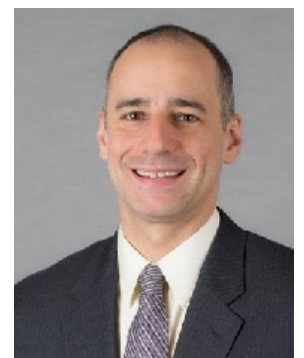
INDUSTRY PRACTICES

The Industry Practices Committee promotes and communicates NFMA views on key issues affecting the municipal market. The committee also represents the NFMA on the Disclosure Industry Workgroup (DIG). The committee is co-chaired annually by the NFMA Vice Chair and a NFMA member volunteer with regulatory expertise. For 2023, John Ceffalio is NFMA Vice Chair and is Chair of Industry Practices. Anne Ross serves as Industry Practices Co-Chair.

This year, the top priority for the committee is the implementation of the 2022 Financial Data Transparency Act (FDTA), which requires the SEC to adopt fully searchable and machine-readable data standards for information. The committee has established an 11-member dedicated FDTA Working Group, chaired by Anne Ross, and including a broad variety of industry perspectives.

In recent months, the working group met and developed proposed opinions for the NFMA. On October 27, after consideration by the full NFMA Board, we submitted a letter to the SEC, signed by NFMA Chairman Mark Capell. The letter makes several recommendations including development of a unique, beta-tested taxonomy for municipals, inclusion of the standards for all MSRB required reporting, and development of unique legal entity identifiers (LEI). Additional recommendations include that the standards be useable by all platforms and are applicable to all municipal issuers, and creation of a FDTA working group to monitor implementation. A copy of the full letter is available on NFMA's website.

John Ceffalio
NFMA Vice Chair & Industry Practices Chair



John Ceffalio

Disclosure

We would like to thank everyone who submitted feedback during the comment period for our Recommended Best Practices in Disclosure for State Revolving Funds. It is our first ever for this sector. We are currently reviewing the comments we received and will publish the final version shortly. Please feel free to contact Angela Kukoda (akukoda@seixadvisors.com) or Maria Matesanz (maeugeniamatesanz@gmail.com) for additional information regarding NFMA's efforts in this area and/or to participate in future projects.

Thank you for your continued support,

Angela Kukoda

Maria Matesanz

Disclosure Committee Chair

Disclosure Committee Co-chair



EDUCATION COMMITTEE

The Education Committee comprises four subcommittees, each with a mission to develop educational programming for members. The most visible is the Annual Conference Committee. In 2023, the NFMA Annual Conference was held at the Grand Floridian in Orlando. Brent Miller and Poonam Patidar were co-chairs. For 2024, Poonam will be joined by Adam Kennedy, and the event will be held in Philadelphia on April 30-May 3. The committee is assembled and working on panels for a program to be released in January.

Advanced Seminars were first established in 1992 to provide educational programming for more seasoned analysts, covering various topics such as high yield, healthcare, higher education and more, in-depth. This year's seminars explored healthcare and transportation and were very well-received. The next seminar will be in Salt Lake City on February 1&2 and will cover high yield. Registration is up now. Many thanks to seminar chairs Richard Akulich, Ellen Cannarsa and Matt Whoriskey.

The NFMA's Introduction to Municipal Bond Credit Analysis has been offered annually since 1987, providing training for nearly 3,000 new analysts and other municipal market participants. Our next introductory course will be held in Philadelphia on November 16&17. Thanks to Eric Kim and Mike Grygo for their work putting together a strong slate of expert analysts for this event.

Finally, the Webinar Committee is the newest part of the educational tent at the NFMA. As you might imagine, virtual meetings – though not entirely new before Covid – became a necessity beginning in 2020. Kristina Vaccaro and James Lyman headed this committee in 2023 and put on two very well-attended webinars on FDTA.

Thanks to all committee chairs and their respective planning committees for the hours and dedication to successful NFMA educational events in 2023!

Neene Jenkins

NFMA Secretary, Education Chair



Neene Jenkins

Society Outreach

The Society Outreach Committee held its second all society call of the year on September 28th with representatives from each of the 8 regional societies in attendance. Two employees of Schneider-Downs (the NFMA's accounting firm) were in attendance and discussed D&O insurance policies and IRS document retention standards, and fielded questions from the constituent societies. As a second topic, each of the societies discussed their individual fall and winter education plans including potential speakers and topics. We reminded all society heads to inform Lisa Good of their respective programs once dates are firmed up for inclusion in the NFMA event calendar. Moving forward, we hope to schedule another all society call for late this year or early next year.

Maria Sazon & Phil Hooks

Society Outreach Co-Chairs

MAGNY

Municipal Analysts Group of New York

MAGNY's six-member board of directors and 25-member program committee remains focused on finding the best way to balance hybrid, virtual and live-only events to best serve the interests of our members and other parties and to maximize attendance, while maintaining a healthy fund balance. The board is also focused both on boosting MAGNY membership with an eye to the future.

Events: July - October 2023:

Following up on the success of our spring hybrid and live events at the NYC Bar Association Club, which included the April 20 hybrid event "Investing in Social Impact: A New Frontier of Muni Analysis" (30 live attendees, 40 virtual attendees), MAGNY's Programming Team continued to focus on particular industry sectors for its summer event line-up. A virtual discussion on May 25 highlighting the Colorado River water crisis and featuring speakers from the Metropolitan Water District of Southern California, the Central Arizona Project, and the Southern Nevada Water Authority was attended virtually by 110 municipal analysts from around the US.

Our May 25 event was followed by MAGNY's third live-only event since the pandemic on June 8 before our summer programming break. Even as MAGNY took a break from member education in the summer, we organized our first member 'happy hour' in several years along with our annual member golf outing before returning from break on September 7 with our first event of the fall season.

Details of recent events follow below:

June 8: "Fourth Annual Analyst Scrum & Cocktail Party." To close our spring programming season, MAGNY held a **LIVE-ONLY** analyst scrum event at the NYC Bar Association on June 8. The event was billed as a "Career Scrum," as the focus was on how to build and nurture a career in the public finance industry. Mary Francoeur of PFM was our moderator and master of ceremonies. Subject matter experts included Neene Jenkins, JPMorgan Asset Management., Matt Fabian of MMA, Amy Laskey, formerly of Fitch, and Jim Lyman of Belle Haven. Despite adverse conditions caused by heavy soot in the air of NYC as a result of massive forest fires in Canada, some 70 persons registered for this live event and 51 persons attended.

July 13: "Annual Golf Outing" - MAGNY held its annual golf outing on July 13 at the New Jersey National Golf Club. A total of 25 members attended for a fun afternoon of relaxed sportsmanship and socializing despite stifling temperatures in the mid-90s.

July 27: "Summer Happy Hour" - MAGNY members celebrated an enjoyable summer happy hour at Scallywag's Pub on the west side of Manhattan. Scallywag's is a traditional Irish pub known in NYC for its wide selection of beers and excellent pub food menu. Our social event lasted from 5:30pm to 7:30pm. About 25 members attended.

September 7: "2024 Municipal Bond Outlook: Rising Rates Make Issuers Irate, While Investors Elate" - Our first fall member education event was held on Thursday, Sept. 7 at the NYC Bar Association Club. This was a hybrid luncheon event. Speakers included Kristin Stephens, UBS Financial Services, municipal strategist Vikram Rai, and Mark Schmidt, Morgan Stanley. Stephen Winterstein of SP Winterstein & Associates served as our moderator. The panel shared perspectives from the buy-side and sell-side and the broad muni strategy perspective. The consensus was the US muni issuance will remain below-trend in 2024 and likely at levels close to 2022 and 2023 year-end numbers. We had 37 live attendees and 28 virtual attendees.

October 31: "Focus on Rural Hospitals and Life Plan Communities: Predicaments and Opportunities of Two Pressured Sectors". This hybrid panel event was held at the NYC Bar Club and focused on the highly pressured rural healthcare sector, as well as life plan communities, also known as CCRCs. The event was well-attended with 42 live guests and 48 attending remotely via Zoom, for 90 in total. Our speakers included Gary Sokolow, of Fitch Ratings' healthcare team, Jeff Sommer of the advisory firm Stroudwater Associated based in Maine, and Kevin Neumann of Novo Advisors. Our moderator was veteran muni healthcare analyst, George Huang.

MAGNY will host additional events on November 13 and December 12.

On November 13, we are pleased and honored to host the current CFO of the Metropolitan Transportation Agency, Kevin Willens, for a live fireside chat about the changing fortunes of the MTA and New York State's notable support package for the agency passed in early 2023.

The MAGNY holiday party is scheduled for the evening of December 12.

We hope you all enjoy the beautiful autumn weather. It sure beats this past summer!

Best regards,
Michael D'Arcy,

NFMA

New Member Advancement

Over the past quarter, the New Member Advancement Committee has begun organizing for a 2024 university outreach campaign. We have identified four universities that are potentially interested in participating. In terms of event planning, we are considering hosting either an in-person gathering in collaboration with constituent societies or a straightforward Zoom presentation.

Our goal with this initiative is to raise student awareness about the advantages offered by the NFMA and to motivate them to enroll as student members. Additionally, the new internship posting board on the NFMA website will serve as an enticing opportunity for juniors and seniors seeking to gain experience in the municipal sector.

Looking ahead, the NMA is set to conclude its 2023 mentorship program in December. A final survey will be conducted to gather feedback and insights that will aid us in enhancing the program for 2024.

Nolan Cicerella & Samantha Henry
NMA Co-Chairs

PhAMAS

Philadelphia Area Municipal Analysts Society

PhAMAS will complete the 2023 programming year with the following events:

On November 2nd, PhAMAS hosted a panel that discussed demographic-driven operational challenges facing the higher education and healthcare sectors. This event was offered in-person at Ballard Spahr's offices and online via Zoom. Special thanks are due to Akiko Mitsui for taking the lead on the planning of this event.

Next, on November 15th, Dean Mead will join PhAMAS to present a full-day seminar entitled "What Every Analyst Needs to Know About Governmental Accounting" ahead of the NFMA's annual Introduction to Municipal Bond Credit Analysis program. Dean has previously worked with PhAMAS and the NFMA to hold this seminar and we appreciate that he is able to do so again.

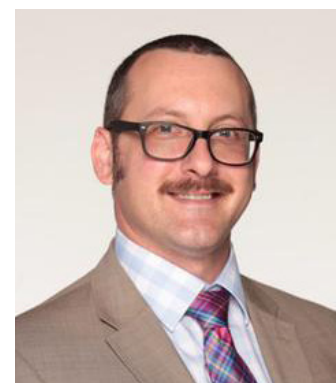
Finally, PhAMAS is planning to hold our annual holiday gathering on Wednesday, December 20th in Center City. Please keep an eye out for emails with additional details.

It has been a pleasure working with my fellow board members this year. We would again like to thank Bill Rhodes and Ballard Spahr for their willingness to host our in-person events and Bonnie Tessler for her continued support of our communication and technology needs.

Best wishes to all in 2024!

Ken Weinstein (ken.weinstein@pnc.com)
PhAMAS Chair

DE&I



Jason Pollack

In 2021, the NFMA undertook an effort to explore Diversity, Equity and Inclusion (DE&I) through the DEI Committee. In 2022, the committee worked with PFM and Anavi Strategies to develop and execute the DEI Survey. You can find a report on the survey on the NFMA homepage.

As the committee prepares for next steps, we are seeking NFMA members who have an interest in DE&I to volunteer for the committee by reaching out to Jason Pollack.

Jason Pollack
DEI Chair

BMAF

Boston Municipal Analysts Forum

BMAF has hosted several recent networking events. In July, we held our annual golf outing at Marshfield County Club which was sponsored by Build America Mutual. In September, Greenberg Traurig and UMB sponsored our annual Boston Harbor Cruise. In partnership with BondLink, BMAF hosted an Issuer-Investor networking event at the conclusion of the NCSHA housing conference. Investors had the opportunity to share their current needs, interests, and questions in a relaxed and friendly atmosphere. The event was well attended by both issuers and investors.

In late October, BMAF hosted a Public Policy webinar with Strategas. The presentation focused on Washington policy and the implication on municipal credits. We are planning an upcoming healthcare panel with a focus on workouts. Greenberg is currently planning on hosting the event at their office and aiming for the end of November or early December. We have received applications for the Treasurer position and are currently in the process of conducting interviews. The annual holiday party will take place in early December (timing TBD) where we will announce our next Treasurer.

Jeff Sayman
BMAF President

BMAF Board

- > **President:** *Jeff Sayman*, Insight Investment jeffrey.sayman@insightinvestment.com
- > **Vice President:** *Colleen Murphy*, Greenberg Traurig murphygc@gtlaw.com
- > **Treasurer:** *David Mann*, Manulife Asset Management drmann@manulifeam.com
- > **NFMA Board Rep:** *Matt Whoriskey*, MFS mwhoriskey@mfs.com



MARMOT held its 3rd Annual Rockies outing in late September. Luckily the Rockies pulled out a win against the Dodgers (4-1), staving off their 100th loss of the season until the next game. In 2024 we plan to have the outing earlier in the summer, so the team's season is still (possibly) up in the air. On November 2, MARMOT held a transportation panel: "The Ride to a Better Future – How Are Regional Transportation Authorities Navigating Mass Transit in a Post COVID-19 Environment?" Presenters included Carlton Christensen, Board Chair of the Utah Transit Authority, Ken Kessler, CFO of Valley Metro Regional Public Transportation Authority (AZ), and Brenden Morgan, Sr. Manager, Debt and Investments, Regional Transportation District (CO). To close out the year, MARMOT will hold our annual meeting and holiday gathering in early December.

Jane Ridley
MARMOT President



CMAS

CHICAGO MUNICIPAL ANALYSTS SOCIETY



Mike Grygo

The Chicago Municipal Analyst Society continues to attract new membership with strong content and engagement from membership. CMAS has hosted two recent events. "Hybrid Work – Pandemic Impact on Local Government and Commercial Real Estate", we discussed how cities with large central business districts are adapting to a post-pandemic new normal of increased rates of remote and hybrid work. Experts from the Cook County Assessor's Office, UIC's Government Finance Research Center, and CBRE Capital Markets explored the potential impacts for commercial real estate, tax base values and local government revenue.

Next, we again hosted a municipal finance career panel and networking event at the University of Chicago's Harris School. We'd like to thank our moderator, Carol Spain (Schwab), and presenters/alumni Shawn O'Leary (Nuveen), Ashlee Gabrysch (Fitch) and Allison Bretz (Loomis Sayles) for leading the conversation.

CMAS will host its Holiday Party sponsored by Fitch and PTAM in early December, and our annual outlook meeting sponsored by Mesirow in mid-January.

Mike Grygo
CMAS Vice President

MSMA

Minnesota Society of Municipal Analysts

MSMA has been busy in the second half of 2023! In July, we held our summer social at a local brewery. Eric Kazatsky, Head of Municipal Strategy at Bloomberg Intelligence, led a discussion on multiple topics, including a macro-outlook, supply and demand dynamics, and market performance, which was all followed up with a great opportunity for members to connect. In September, Xcel Energy provided a tour of their Black Dog power plant, offering a first-hand view of operating the facilities. This was a very well attended event allowing members to discover details of Xcel's priorities and their strategies for energy transition. Finally, in October, Kyle Javes, Managing Director with Piper Sandler, presented on the state of the high yield municipal market, resulting in a healthy question and answer session.

Looking ahead, MSMA has a luncheon planned for Monday November 20, where Minority Leader in the Minnesota House of Representatives Lisa Demuth will speak with us. We hope to have an active discussion on topics such as the municipal bond market, economic development, and infrastructure. Then we'll end the year with our annual winter social on December 14th to celebrate the year and look on to the next.

Jason Miller

MSMA Outgoing President



Jason Miller

GASAC

In early August, GASAC held its 2nd meeting of 2023 in Denver. The meeting covered topics such as electronic financial reporting, updates on current projects, and information about new projects that are just getting underway.

- The GASB dedicated resources to the Electronic Financial Reporting (FDTA) project and is proactively engaging with industry stakeholders.
- The GASB decided to remove governmental funds from the scope of the Financial Reporting Model project. The current resources method will continue to be used for the reporting of such funds.
- There was considerable discussion regarding the degree of stress that should be captured under the note disclosure and the conditions that define such stress with respect to the Going Concern Uncertainties and Severe Financial Stress project.
- The GASB approved a new project related to infrastructure assets. The project intends to cover mainly non-building, long-lived capital assets such as roads, bridges, tunnels, drainage systems, water and sewer systems, dams, etc.

The GASB recently released its exposure draft on Disclosure and Classification of Certain Capital Assets. The proposal would require that capital assets held for sale be disclosed by classification categories in the capital asset not disclosure. The proposal also provides criteria for determining what is held for sale. Detailed information on all the projects mentioned can be found on the GASB's website.

Lisa Washburn

NFMA Representative on GASAC

SMFS

SOUTHERN MUNICIPAL ANALYSTS SOCIETY

On November 7th, SMFS presented a webinar on Insurance and Climate Risk. The increased risk of exposure to climate-related disasters is increasing the cost and affordability, and in some place general insurability, of many communities across the country. The panel discussed these issues, how they may affect local governments, and how some states are mitigating against future risks. The panelists included Christine T Berry, University of Louisiana, Brian Powell, Director of Risk and Resilience at the Alabama Department of Insurance and Nora Wittstruck, Ratings Sector Leader, S&P Global. Barbara VanScoy, Heron Foundation, served as moderator.

SMFS is also planning another webinar panel in early December on Downtown Development as the topic with industry experts.

Ted Damutz

SMFS Chair

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We look forward to adding more sponsors soon. If your firm is not on this list, and you would to consider sponsorship, contact *Lisa Good*, lgood@nfma.org

NFMA Calendar

Upcoming Events

November 16 & 17

NFMA Introduction to Municipal Bond
Credit Analysis, Sonesta Philadelphia

January 31, 2024

NFMA Board of Governors Meeting, The
Grand America Hotel, Salt Lake City

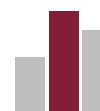
February 1 & 2, 2024

NFMA Advanced Seminar on High Yield
Bonds, The Grand America Hotel, Salt
Lake City

April 30 – May 3, 2024

NFMA 2024 Annual Conference, Loews
Philadelphia Hotel

Go to
www.nfma.org
and check Event
Calendar for
society events
and more details!



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of MUNICIPAL ANALYSTS

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