

---

**T W E N T I E T H  
A N N U A L  
C O N F E R E N C E**



*1983-2003*

**WESTIN RIVER NORTH  
CHICAGO  
ILLINOIS  
APRIL 30 – MAY 2, 2003**

---

# T W E N T I E T H   A N N U A L   C O N F E R E N C E

## Tuesday, April 29

8:00 – 9:00 p.m. **Welcome Reception**

## Wednesday, April 30

7:30 – 8:30 a.m. **Registration and Continental Breakfast**

8:30 – 8:45 a.m. **Welcoming Remarks** – *Donald Lipkin*, Bear Stearns and *Peter Stettler*, Fitch Ratings, Conference Co-Chairs • *Karen Szerszen*, Allstate Investments, NFMA Chairperson

8:45 – 9:15 a.m. **Keynote Address**

9:15 – 10:30 a.m. **State of the States**

State governments across the country have been grappling with budget imbalance for two years and now face an aggregate budget gap of \$60-\$85 billion heading into fiscal 2004. Panelists will discuss the issues underlying the deficit, gap closing actions and strategies to date. A discussion of the economic and budget environment for the states beyond 2004 will follow.

**Moderator:** *Robin Prunty*, Director, Standard & Poor's

**Panelists:** *Donald Boyd*, Director of Fiscal Studies Program, Rockefeller Institute of Government • *Arturo Perez*, Program Principal – Fiscal Affairs, National Conference of State Legislatures

10:30 – 10:45 a.m. **Break**

10:45 – Noon **Bond Insurers and Their Non-Municipal Exposure**

This panel will discuss the monolines' non-municipal activities. What are the non-municipal product lines, how are the deals structured and what is the risk profile?

**Moderator:** *Robert Tucker*, Director, FSA

**Panelists:** *Laura Levenstein*, Group Managing Director, Americas Financial Institutions Group, Moody's Investors Service • *Neil McPherson*, Director & Head, Asset-Backed Research, Credit Suisse First Boston • *David Tesher*, Managing Director, Standard & Poor's Corporation

12:30 – 2:15 p.m. **Luncheon – Speaker:** *William Abolt*, Budget Director, City of Chicago  
**NFMA Business Meeting**

2:30 – 3:45 p.m. **Secondary Market Derivatives: A Primer**

What are the economic factors that drive TOB programs? How do they affect the cash market? How are they structured? How are they evolving? What are the key areas of focus for investors?

**Moderator:** *Ruth Levine*, Principal & Senior Analyst, The Vanguard Group

**Panelists:** *Nat Singer*, Senior Managing Director, Bear Stearns • *Stevie D. Conlon*, Attorney at Law

4:00 – 5:00 p.m. **Optional Disclosure Workshop on Airports**

**Free Evening**

## Thursday, May 1

7:45 – 9:00 a.m. **Issuers' Forum and Continental Breakfast**  
Meet local issuers informally over breakfast. Facilitator: Sarah Eubanks, Standard & Poor's.

9:00 – 10:00 a.m. **Break-out sessions 1,2,3,4**  
and

10:15 – 11:15 a.m. **Break-out sessions 1,2,5,6**  
and

11:30 a.m. – 12:30 p.m. **Break-out sessions 3,4,5,6**

**Break-out sessions** – Six distinct break-outs will be presented. Each session will be presented twice. Registrants will have the opportunity to attend three of the sessions.

### 1. GASB 34 – It's Here, What Does It Mean?

With GASB 34 requirements taking effect with the current fiscal year, analysts will begin to see the new financial statements in increasing numbers. Our panel will address your questions regarding the information contained in the statements, how to utilize it in analyzing credits and early trends/insights reflecting the new accounting approach.

**Moderator:** *Peter Stettler*, Director, Fitch Ratings

**Panelists:** *David Bean*, Director of Research, Governmental Accounting Standards Board • *Richard Ciccarone*, Managing Director and Chief Research Officer, McDonnell Investment Management, LLC • *Ken Mihelich*, Accounting Manager, City of Joliet, Illinois

### 2. Healthcare: A View from the "Real Payors"

The panel will provide a bit of history regarding insurance premium, insurance cost trends, and hospital rate increases. The panel will also delve into what employers are currently seeing in terms of premium growth, the drivers of such growth, and strategies employers are looking at to minimize future rate increases. In addition, we'll also hear from an executive of a regional business group on health, with a membership in excess of 1.2 million lives, whose primary goal is to continuously improve the quality and cost-effectiveness of health services.

**Moderator:** *Jerry Solomon*, Managing Director, Bear, Stearns & Co., Inc.

**Panelists:** *Larry S. Boress*, Executive Director, Chicago Business Group on Health • *Scott Ziemba*, Sr. Health Care Consultant and Director of the Group and Health Care Benefits Group, Watson-Wyatt, Chicago.

### 3. Alleviating Congestion in Major Freight Corridors: Freight Movement Forecasts as a Base for Credit Evaluations

Issues to be discussed include: the increasing urban rail transportation conflict and the need to develop public partnerships as a solution; the predictability of freight movements as a base for a per-container/per railcar charge as a revenue stream for municipal revenue bonds; and, why ironclad agreements are necessary to perfect the security interest in the revenue stream, while making sure the credit is sound and allowing railroads to achieve off-balance sheet treatment.

**Moderator:** *Jim Doyle*, Director, FSA

**Panelists:** *Jeff Holt*, Goldman Sachs • *Dr. John Ricklefs*, Chief Economist, Moffatt and Nichol • *Paul Nowicki*, AVP-Fe Railroad

**4. The Municipal Bond Market 2003: Trends and Outlooks**

The municipal bond market experienced unprecedented milestones in 2002, and with uncertainty about geopolitical events and the domestic economy, 2003 promises to be just as exciting. Come participate in a discussion on the municipal bond market for 2003 as two key strategists share their views, insights and outlooks.

**Moderator:** *Chuck Emrich*, Manager, Municipal Research, Legg Mason Wood Walker, Inc.

**Panelists:** *Thomas Doe*, President, Municipal Market Advisors & Cutler Investments • *Philip Fischer*, Municipal Strategist, Merrill Lynch

**5. Innovative Federal Financings**

This panel will discuss new ways that federal moneys are being leveraged and why there is an increase in these types of transactions. It will also cover some of the legal issues that need to be addressed with these financings.

**Moderator:** *Colleen Woodell*, Managing Director, Standard & Poor's

**Panelists:** *James S. Penrose*, Managing Director and Associate General Counsel, Standard & Poor's • *Bryan Grote*, Principal, Mercator Advisors • *Richard Layton*, Managing Director, A.G. Edwards & Sons

**6. Trends in Privatized Student Housing - Lessons Learned**

The privatized student housing sector has aged slightly with some projects now exhibiting operating histories which offer some insights with regard to trends. This panel will focus on both positive and negative lessons learned about things such as construction risk, occupancy forecasts, and legal structures.

**Moderator:** *Debbie Hontz*, Vice President, Senior Municipal Bond Analyst, Legg Mason Wood Walker, Inc.

**Panelists:** *Wendy Berry*, Senior Vice President, Moody's Investors Service • *Scott Fowler*, Director, Pricewaterhouse Coopers LLP • *Mark Rogers*, Vice President and CFO, JPI Campus Quarters

12:45 – 2:00 p.m.

**Optional Disclosure Workshop on Swaps** – A box lunch will be provided to those who registered in advance.

12:45 – 5:00 p.m.

**GASB User Forum**

(Open attendance between the hours shown.)

The Governmental Accounting Standards Board (GASB) is holding a user forum in conjunction with the NFMA Annual Conference to receive feedback on proposed reporting and disclosure requirements contained in its Other Postemployment Benefits (OPEB) exposure drafts. The GASB invites input from NFMA members in the form of testimony, panel presentations, and an open roundtable discussion. For more information on the forum and the GASB's OPEB project, please see the GASB's website—[gasb.org](http://gasb.org).

2:30 – 5:00 p.m.

**Affordable Housing Tour of Chicago**

The bus will depart from the front of the hotel promptly at 2:30 p.m. Please arrive a few minutes early.

**Participants/facilitators:** *Peter Fugiel*, President, MAP Investments • *Jill Mason*, Assistant Commissioner, Department of Housing, City of Chicago • *Jeff Previdi*, Director, Standard & Poor's

7:00 – 10:00 p.m.

**Reception and Awards Dinner** to feature commemoration of NFMA 20<sup>th</sup> Anniversary and performance by *The Second City*.

**Reception Sponsor:** *MBIA Corporation*

**Friday, May 2**

8:30 – 9:00 a.m.

**Continental Breakfast**

9:00 – 10:15 a.m.

**New Trends in Education Finance, K-12**

As traditional public school systems are challenged to provide quality education to an ever-growing population, more families are turning to alternative means. The growth of the Charter School movement and continued expansion of private K- 12 institutions provides new opportunities and challenges. This session will explore the ABC's of these non- traditional educational institutions.

**Moderator:** *Steven Schrager*, Managing Director, American Capital Access

**Panelists:** *Kevin R. Hall*, Senior Vice President, Chancellor Beacon Academies • *Erin Gore*, Vice President, Banc of America Securities • *Douglas Kilcommons*, Fixed Income Analyst, Neuberger Berman

10:15 – 10:30 a.m.

**Break**

10:30 – 11:45 a.m.

**Municipal Market Industry Roundtable**

Several key market participants and regulators will discuss current issues in the municipal marketplace. The discussion will focus on the changing role of the analyst in the current market and regulatory environment.

**Moderator:** *Alan Polsky*, First Vice President, Dougherty & Co. LLC

**Panelists:** *Martha Haines*, Chief, Office of Municipal Securities, SEC • *Helen Atkeson*, Partner, Hogan & Hartson • *Thomas Fetter*, VP, Eaton Vance management.

11:45 a.m.

**Conference adjourns**

2:20 p.m.

**Baseball Outing - Chicago Cubs v. Colorado Rockies**

Tickets provided by Pabst Brewing/Chicago Cubs.

# 2003 NFMA SPONSORS

The NFMA wishes to thank all  
sponsors for their support.

---

**Platinum:** DAC  
An Ernst & Young LLP Company  
McDonnell Investment Management  
Moody's Investors Service  
Radian Asset Assurance  
Standard & Poor's Corporation

**Gold:** MBIA

**Silver:** ACA  
First Albany  
FSA  
Investortools  
Mesirow Financial Inc.  
The Bond Market Association

**Bronze:** Ambac  
Bear Stearns  
The Bond Buyer  
BONDjournal  
Cain Brothers  
Fitch Ratings  
FGIC  
Helaba  
Lynch Municipal Bond Advisory  
Pabst Brewing  
Roosevelt & Cross, Incorporated  
Ziegler

**General:** Allstate Investments

