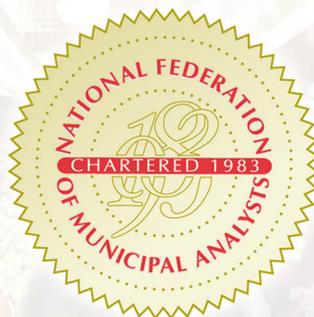


NFMA



TWENTY-SIXTH ANNUAL CONFERENCE
GRAND HYATT SEATTLE
SEATTLE, WASHINGTON

MAY 5 – 8, 2009



NFMA TWENTY-SIXTH ANNUAL CONFERENCE

TUESDAY, MAY 5

8:00-9:30 p.m.

Welcome Reception Sponsored by Standard & Poor's Corporation

WEDNESDAY, MAY 6

7:30 – 8:15 a.m.

Registration and Continental Breakfast Sponsored by George K. Baum & Company

8:15 – 8:30 a.m.

Welcoming Remarks *Bill Hogan*, Senior Managing Director, Assured Guaranty, NFMA Chairman • *Lisa Washburn*, Managing Director, Moody's Investors Service and *Mark Stockwell*, Director of Municipal Research, PNC Capital Advisors, Conference Co-Chairs

8:30 – 9:15 a.m.

Keynote Address – *Christopher J. Mier*, CFA Managing Director/Head of Analytical Services Group, Loop Capital Markets, LLC

Challenges Facing Municipal Analysts in 2009

The collapse of the bond insurance industry, the prospect of the worst recession since World War II, and the rapidly changing involvement of the federal government in the private sector presents a unique set of challenges for municipal analysts, the likes of which have never been experienced before. For the first time, analysts must consider highly unusual credit influences, like the cost that cities face in handling the escalating level of home foreclosures, the impact of collapsing commodities prices on resource rich areas, and the differential credit impact of deflation. The presentation will focus on illuminating the many new questions that analysts must consider, and discuss new strategies analysts may want to implement in reaching solid evaluations of credit quality.

9:15 – 10:30 a.m.

Evaporation of Wealth: The Financial Crisis and its Effect on Municipal Credit

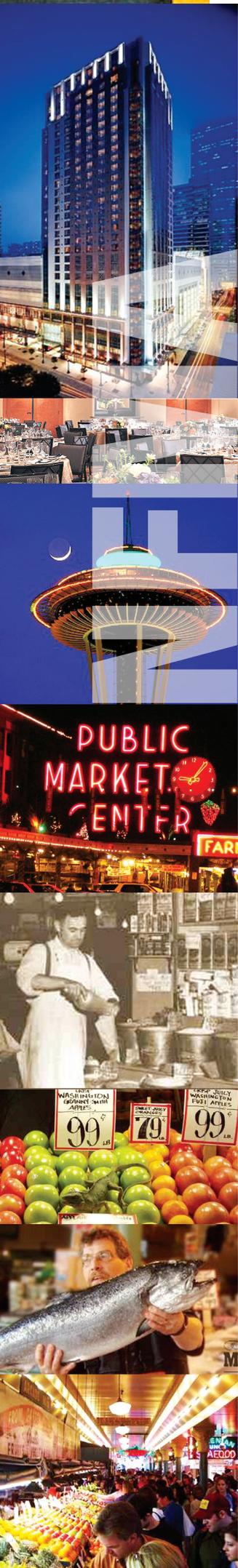
This panel will explore the many ways the housing and financial crisis has affected municipal credit, including the impact of the loss of "wealth" from rapidly declining home values, the contraction of spending by consumers on sales tax revenue, the effects of higher unemployment and lower wages on personal income tax revenues, the stock market downturn on tax revenues from capital gains, etc. What is the outlook for states and local governments? Which credits will fare better than others; which will suffer the worst?

Moderator: *Jennifer Johnston*, Vice President/Analyst, Franklin Templeton Investments

Panelists: *Robert Kurtter*, Managing Director, Moody's Investors Service • *Christopher Mier*, Managing Director/Head of Analytical Services Group, Loop Capital Markets, LLC (available for Q&A period) • *Wolfgang Opitz*, Assistant State Treasurer, State of Washington • *Paul Winghart*, Senior Fixed Income Strategist /Vice President, RBC Wealth Management

10:30 – 10:45 a.m.

Break



10:45 a.m. - Noon

The Impact of Short-Term Market Distress on Long-Term Creditworthiness

In 2008, municipal issuers experienced limited market access, failed remarketings, death of the ARS market, and contraction of credit and liquidity products. This panel will explore how the turmoil in the short-term market has impacted municipal credit and which factors municipal investors should be focused on when reviewing issuers reliant on the short-term market.

Moderator: *Ben Schuler*, Analyst, Fidelity Investments

Panelists: *Susan Dushock*, Director, Columbia Management • *Mimi Park*, Research Analyst, Wells Fargo Bank - Proprietary Portfolio Group • *Kevin Shaughnessy*, CFA, Managing Director/Portfolio Manager, Charles Schwab Investment Management • *Adam Rudner*, Director, Citi

12:15 – 1:45 p.m. **Luncheon Sponsored by Interactive Data**

Speaker: *James L. McIntire*, Washington State Treasurer



2:00 – 2:15 p.m.

NFMA Business Meeting

2:15 - 3:30 p.m.

Municipal Market Roundtable: The Impact of Federal Government Economic Initiatives on the Municipal Market

The implementation of President Obama's economic stimulus plan and the development of his first federal budget could have ramifications for the municipal bond market. The roundtable discussion will address the potential impacts on credit quality, demand, issuance levels, and tax provisions for muni debt in light of the development of federal initiatives to jump-start the national economy.

Moderator: *Bill Hogan*, Senior Managing Director, Assured Guaranty, NFMA Chairman

Panelists: *Martha Mahan Haines*, Chief, Office of Municipal Securities, Securities and Exchange Commission • *Gerry Lian*, Executive Director, Morgan Stanley • *Ann-Ellen Hornidge*, Member, Mintz Levin Cohn Ferris Glovsky and Popeo, PC • *Lynnette Hotchkiss*, Executive Director, Municipal Securities Rulemaking Board

3:30 – 3:45 p.m.

Break

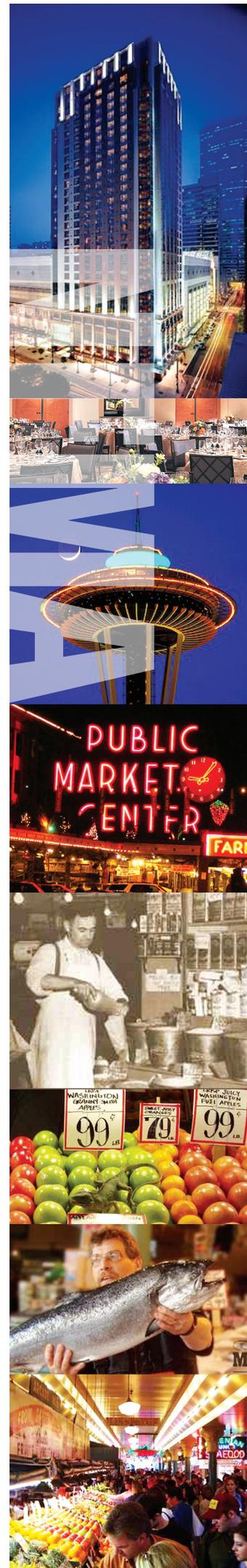
3:45 – 5:00 p.m.

Start of Something New? A Fresh Look at Distressed Situations and Bankruptcies

This panel will discuss distressed and bankrupt municipal credits, with an emphasis on what municipal analysts can learn from past and present experiences. The panelists will address ways that analysts can identify at-risk issuers. With the advent of new securities, and given the volatility and uncertainty in the market, are there more systemic risks than there had been in previous years? What do analysts need to focus on in order to spot the canary in the coal mine?

Moderator: *Renee Boicourt*, Managing Consultant, Lamont Financial Services

Panelists: *Richard Ciccarone*, Managing Director and Chief Research Officer, McDonnell Investment Management LLC • *Marc Levinson*, Partner in the Restructuring Group, Orrick, Herrington & Sutcliffe LLP • *Thalia Meehan*, Managing Director and Team Leader of the Tax Exempt Research Team, Putnam.



THURSDAY, MAY 7

7:30 – 8:30 a.m.

Past Chairs Breakfast – All Past Chairs and Current Executive Committee

8:00 – 8:30 a.m.

Continental Breakfast

8:30 – 9:30 a.m.

Break Out Sessions 1,2,3,4

and

10:00 – 11:00 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

1. Muni Swaps Gone Awry: How Issuers are Managing Recent Risks of Swaps

The past year's economic events have brought many of the risks of using municipal swaps to the fore. Whether it's counterparty risk, termination payments, swaps insured by downgraded insurers, or collateral payments, several muni issuers have been coping with an additional layer of debt management posed by their swaps, not to mention basis risk with swaps which have been "under water." This panel will explore how issuers are managing risks posed by their swaps, how they worked through the Lehman bankruptcy and other counterparty matters, and how issuers have changed their swap and debt policies in response to their recent experiences in the swap market.

Moderator: *Akiko Mitsui*, Senior Analyst, Vanguard

Panelists: *John H. Augustine*, Managing Director, Barclays Capital • *Tom Hemmings*, Chief Financial Officer, Colorado Housing and Finance Authority • *Lisa Kreiling*, Senior Municipal Bond Analyst, PNC Capital Advisors

2. Private Higher Education: Small Colleges Coping with the Financial Downturn

How do small colleges survive in these tough financial markets? Will students be willing to pay higher tuition in order to "stay small" or will that argument be as effective as it was previously? Where do budget cuts work without impairing the college's mission? How do changing demographics and demand at these institutions translate into servicing current debt as well as future capital needs? This panel discusses how small colleges are dealing with the short and long-term financial impacts of the global economic downturn.

Moderator: *Judith Harvey*, Senior Vice President, George K. Baum & Company

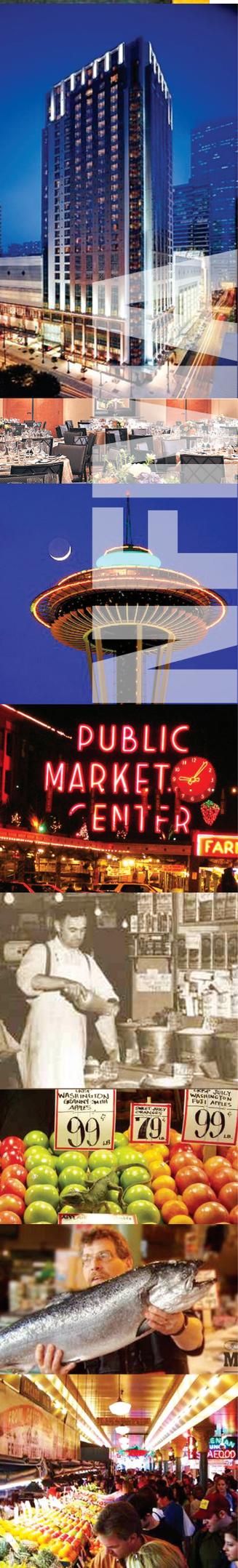
Panelists: *Roger Goodman*, Vice President and Team Leader-Higher Education Team, Moody's Investors Service • *Brian Benzel*, VP, Finance and Administration, Whitworth University

3. Hospital Outlook in an Era of Obama-Healthanomics

This panel will focus on a number of key issues facing the health care sector in the face of a new administration and given the current economic situation. The following topics are expected to be covered as the panel discusses its outlook for the sector: 1) How the pressure on State budgets will effect Medicaid reimbursement and Medicare reimbursements; 2) Opportunities and challenges hospitals face with physician alignment strategies; 3) The impact and tough decisions resulting from lower investment income; 4) The current state of the managed care sector; 5) Outlook for bad debt and charity care in a recessionary economy; and 6) What investors can or should expect in terms of disclosure from health care providers.

Moderator: *Ed Merrigan*, Managing Director of Municipal Research, Ziegler

Panelists: *Donna Fincke*, Director, Washington Health Care Facilities Authority • *Jim LeBuhn*, Senior Director, Fitch Ratings



4. How Does Public Power Stack Up to Other Sector Investments in These Changing Credit Markets?

In an environment of increasingly complex market dynamics and credit issues, why invest in public power? We will discuss what analysts need to know when investing in public power issues, and how this sector compares to other municipal bond sectors, given the challenges associated with meeting green initiatives and increasing power supply needs more affordably.

Moderator: *Karl Pfeil*, Managing Director, Fitch Ratings

Panelists: *Lonnie Carter*, President and Chief Executive Officer, Santee Cooper (South Carolina Public Service Authority) • *Gary M. Krellenstein*, Managing Director, J.P. Morgan Securities Inc.

5. Land-Secured Debt: Evaluating Credits in the Eye of the Storm

The land-secured sector, bonds secured by tax increment and special assessment revenues, has taken one of the hardest hits from the precipitous drop in real estate values. The trading of land-secured bonds has also been hampered by the reduced availability of credit enhancements and the flight to higher credit quality. This session will consider the changes in the relative credit quality of both tax increment and special assessment bonds, fiscal provisions that have provided defense from market changes, and the outlook for the marketability of land-secured debt.

Moderator: *Mark Stockwell*, Director of Municipal Research, PNC Capital Advisors

Panelists: *David Hitchcock*, Director, Standard & Poor's • *Larry Arceneaux*, President, Katz Hollis • *Warren Bloom*, Attorney-at-Law, Greenberg Traurig

6. Scavenging for Resources: Funding Projects in Tough Economic Times

Transportation systems are suffering from revenue constraints - reduced gas tax revenues, decreases in traffic - at a time when capital investment is considered an economic savior. The implications are for greater leverage, and the resulting credit risks. How will issuers manage these risks? What can the federal government do to help?

Moderator: *Mary Francoeur*, Managing Director, Assured Guaranty

Panelists: *Lynn Hampton*, Vice President for Finance and Chief Financial Officer, Metropolitan Washington Airports Authority • *Jennifer Mayer*, Innovative Finance Specialist, US DOT FHWA

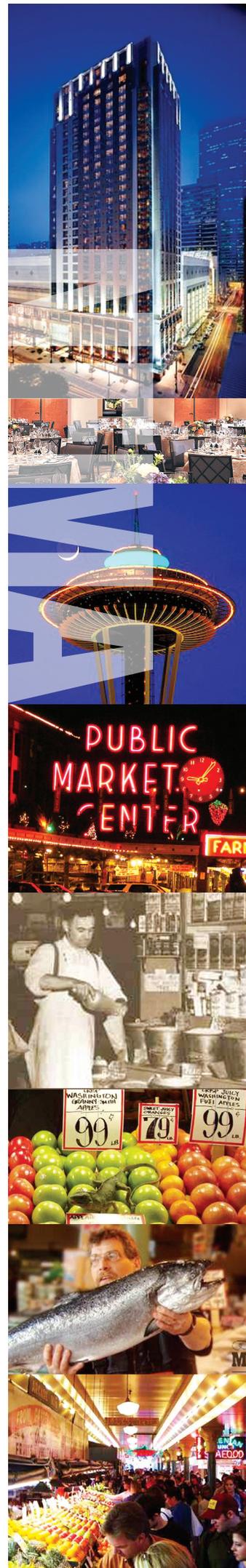
12:30-2:00 pm

Initiatives to Improve Municipal Disclosure

Brown Bag Lunch - RSVP Required – No press

Recent changes in the municipal market have spurred new calls for improved disclosure. This session will provide an opportunity to examine developing disclosure initiatives from the regulators and other muni organizations, concerns from the analyst community, and the outlook for enhancements to current disclosure procedures. The brown bag format will provide a forum for participation and insights from audience members. Following this session will be a demonstration of the MSRB's new EMMA (electronic municipal market access) system.

Moderator: *Greg Clark*, Director, HVB - Member of UniCredit Group



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Panelists: *Martha Mahan Haines*, Chief, Office of Municipal Securities, Securities and Exchange Commission • *Lynnette Hotchkiss*, Executive Director, Municipal Securities Rulemaking Board • *Eric H. Johansen*, Debt Manager, City of Portland, Oregon, Member of GFOA Committee on Governmental Debt Management • *Mary Colby*, Managing Director and Head of Municipal Research, Charles Schwab Investment Management, NFMA Industry Practices and Procedures Co-Chair • *Stephen E. Heaney*, Managing Director, Public Finance, Stone & Youngberg LLC; Vice-Chair of the Municipal Bond Division, Regional Bond Dealers Association

Free Afternoon

7:00 – 10:00 PM

Reception and Dinner at Bell Harbor on Elliott Bay

Shuttle service begins at 6:30 p.m.

Martini bar sponsored by Assured Guaranty



FRIDAY, MAY 8

8:00 – 8:30 a.m.

Continental Breakfast

8:30 – 9:45 a.m.

Understanding the Value of Credit Enhancement

In a dramatically changing municipal market, the credit enhancement industry stands out for the extent of its transformation. Bond insurance once covered over 50% of new municipal issues. In 2008, this figure declined to 20% and other forms of credit enhancement took up some of the slack. The “new credit enhancement” includes bond insurance, bank facilities, and government-sponsored guarantee programs. This panel will examine the role of each of these in the new world. Where does the bond insurance industry stand today - what lessons have been learned, are buyers receptive and what is the prognosis for the “new model?” What are the long term prospects for LOCs? Is there a meaningful role for other forms of guarantees, such as pension and state support programs? On this panel, a wide range of industry participants will explore the benefits and limitations of these options, and help analysts appropriately evaluate the risks and rewards.

Moderator: *Rodney Clark*, Managing Director, Financial Institutions Group, Standard & Poor’s

Panelists: *Gregory Aikman*, Vice President, BNY Mellon Wealth Management • *Norman Pelligrini*, Managing Director, Citi • *Robert Shoback*, Senior Managing Director, Ambac Assurance Corporation

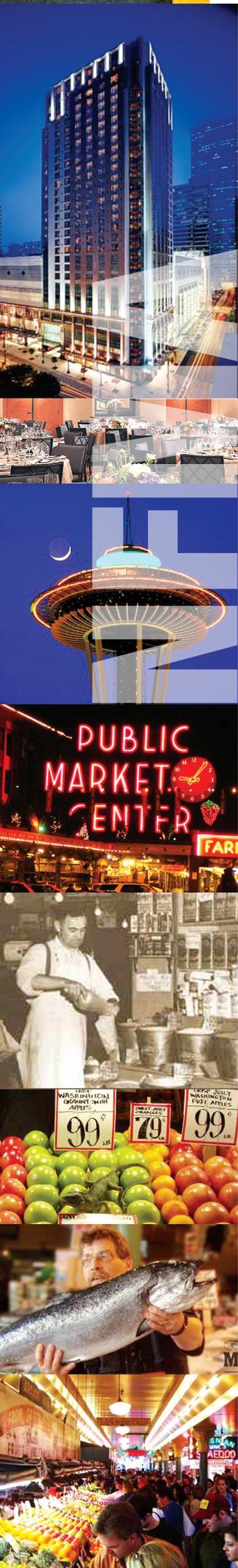
9:45 – 10:00 a.m.

Break

10:00- 11:30 a.m.

New Landscape of the Municipal Financial Services Industry

There has been an unprecedented amount of change in the municipal market. This panel will explore how the financial crisis has impacted the services provided/available to municipal issuers. Which firms will still provide underwriting and remarketing services, credit enhancement, and swaps, and who is buying muni securities? What does this all mean for getting transactions to market and the terms received? Will new firms and buyers step in to fill the gaps? What is the impact of the federalization of the financial sector? How about the rise of the super-regional banking firms? What level of success will they have?



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Moderator: *Tom Weyl*, Director of Municipal Research, Eaton Vance Management

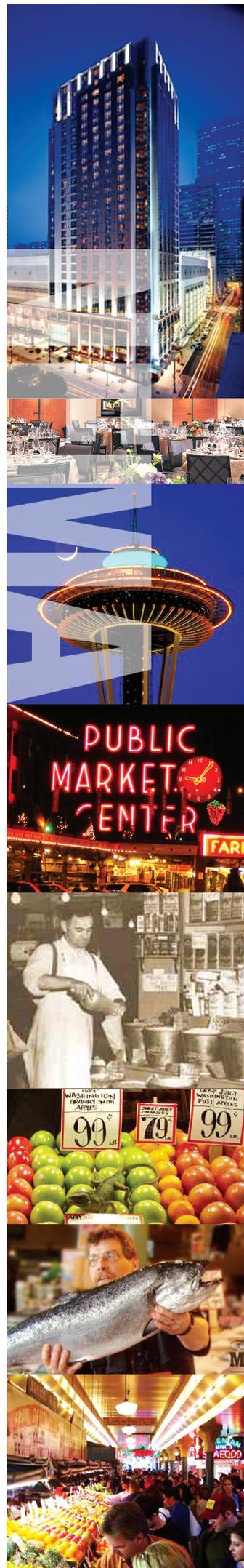
Panelists: *George Friedlander*, Municipal Strategist, Citibank, NA • *Dan Thomas*, Chief Financial Officer and Treasurer, Port of Seattle

11:30 a.m.

Conference Adjourns

2009 Annual Conference Planning Committee:

- > *Lisa Washburn*, Moody's Investors Service, Co-Chair
- > *Mark Stockwell*, PNC Capital Advisors, Co-Chair
- > *Dari Barzel*, Moody's Investors Service
- > *Beverly Denny*
- > *Remo DiRe*, RBC
- > *Mary Francoeur*, Assured Guaranty
- > *Judith Harvey*, George K. Baum
- > *Bill Hogan*, Assured Guaranty
- > *Howard Mischel*, Standard and Poor's
- > *Akiko Mitsui*, Vanguard
- > *Michele O'Brien*, Fitch Ratings
- > *Michi Rives*, Fidelity Investments
- > *Debra Saunders*, Ambac
- > *Ben Schuler*, Fidelity Investments
- > *Tom Weyl*, Eaton Vance



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National Public Finance Guarantee Corporation
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Event: Assured Guaranty
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THANKS! to all our 2009 Sponsors

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