

DAY 1: DEBT BASICS

October 26, 2016
Lions Gate Hotel
3410 Westover Street
Sacramento (McClellan), California

Agenda

Day 1 of this three-day seminar covers the fundamental elements of debt financing, from the core concepts of bond math to the types of debt state and local governments can issue. It is designed to provide municipal financing principles through lecture and short examples and exercises.

8:00 AM **Registration**

8:30 AM **Welcome and Opening Remarks**

8:35 AM **Introduction: Evolution of the Bond Market**

This opening session provides a brief history of the bond market and recognizes its significance in the financial markets. The discussion includes an overview of the significant changes in the bond market, the uses of debt financing by public agencies, and issuance trends over time.

Juan Fernandez, Executive Director, Public Finance Department, JP Morgan

SESSION ONE

9:00 AM **Bond Concepts**

This session offers key concepts and principles, including coupon, price, amortization, debt service, debt structure, yield, and basic bond math. The panel will also introduce the concepts of credit, arbitrage, sale methods, debt policy and plan of finance.

G. Craig Hill, Principal, NHA Advisors

Brad Koehn, Director of Finance and Administrative Services, City of Elk Grove

10:45 AM **Break**

SESSION TWO

11:00 AM **Roles and Responsibilities of Debt Issuers and Finance Team Members**

This session discusses the different responsibilities of team participants when issuing debt. Topics include best practices for hiring financing consultants, the changing roles and

obligations of consultants as a result of regulatory reforms.

David T. Fama, Shareholder, Jones Hall

Monty Hanks, Finance Director, City of Roseville

Terry L. Maas, Managing Director, FirstSouthwest, A Division of Hilltop Securities, Inc.

Dennis McGuire, Managing Director, Piper Jaffray

Jay Panzica, Chief Financial Officer, City of Roseville

James A. Wawrzyniak, Jr., Associate, Jones Hall

12:30 PM Luncheon for All Participants and Speakers

SESSION THREE

1:30 PM Financing Options: Which Type of Debt Is Best for Your Project, Part 1

This session offers a discussion of debt financing options, including general obligation bonds, certificates of participation, lease and utility revenue bonds, and sales tax revenue bonds. Speakers address repayment sources, use of bond proceeds, tax limits, bond authorizations, marketability, and best practices associated with each of these financing options. Attendees will gain an understanding of the various considerations, risks, and benefits to issuing debt and what factors affect the cost of issuance.

Dennis McGuire, Managing Director, Piper Jaffray

Brian D. Quint, Partner, Quint & Thimmig LLP

2:45 PM Break

SESSION FOUR

3:00 PM Financing Options: Which Type of Debt Is Best for Your Project, Part 2

This session addresses land-secured financing, enhanced infrastructure financing districts, conduit bonds, short-term instruments, and direct lending. Speakers will define interim options for capital financings and cash flow purposes, describe how to understand covenants, and discuss how provisions can change and influence the market.

Eileen Gallagher, Managing Director, Stifel

Rudy Salo, Partner, Nixon Peabody LLP

SESSION FIVE

4:00 PM Group Exercise and Discussion: Bond Math

Seminar participants will break into discussion groups for a bond math exercise that illustrates how the concepts of yield, coupon, and interest rate are interrelated.

Joanna Bowes, Managing Director, KNN Public Finance

Erwin Tam, Vice President, KNN Public Finance

5:00 PM End of Day 1

5:15 PM Reception

Hors d'oeuvres and beverages served in the Lions Den.