

# Municipal Analysts

## BULLETIN

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### LETTER FROM THE CHAIR

#### Dear NFMA Members,

I consider it a privilege to serve as the 2019 NFMA chair, and I am honored to follow in the footsteps of our past chairs. The NFMA and the Board had a very productive 2018 that included submitting an amicus brief on Puerto Rico, publishing several papers and public comment letters, as well as holding the Strategic Planning Session. I would like to thank our outgoing Chair, Mary Franceour, for the outstanding job she did in 2018. Many of my goals for the NFMA continue the vision she laid out last year.



In 2019, we will continue to focus on implementing aspects of the Strategic Plan—including changes to governance, providing best-in-class education at our conferences, and encouraging best practices. Best practices, particularly advocating improved and timely disclosure, are extremely important now that our market is primarily fundamentally driven and competes for limited fixed income assets on a global basis. In this environment, it is vital to continue our goal of improving secondary market disclosure. The NFMA is encouraged by the SEC's increased focus on municipal disclosure and SEC Chair Clayton's recent comments that muni disclosure has to improve. This year we will concentrate on increasing our engagement with the SEC's Office of Municipal Securities. Bill Oliver, our Industry & Media liaison, has done an excellent job of increasing our interaction with the SEC and MSRB over the past few years and will be an integral part of this effort.

We are off to a great start in 2019. In January, we held an Advanced Seminar on P3's in Austin, which was well attended, despite the polar vortex impacting several airports that week. Thanks to seminar co-chairs Rachel Barkley and Michael Taylor for their hard work on the seminar. By now you should have seen the program for our Annual Conference which will take place from May 7-10 in Charleston, SC. Our conference co-chairs, Kurt Forsgren and Matt Hilliard, have done an outstanding job in assembling some especially timely panels.

I look forward to working with our executive committee, Vice-chair Nicole Byrd, Treasurer Anne Ross, Secretary Rachel Barkley, members Mark Capell and Dan Belcher and Past Chair Mary Franceour, as they have set the standard for leadership in our asset class and in the NFMA. I also want to acknowledge my fellow members of the Board, who are dedicated to the success of the NFMA. We are also very fortunate to have Lisa Good as our Executive Director. Lisa's efforts are key to the accomplishments of the NFMA and her insights are invaluable to the development of NFMA policies and to ensuring our organization's sustainability.

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

**I look forward to catching up with many of you in Charleston.**

*Respectfully submitted,*

*Scott Andreson*

*NFMA Chair*

# Industry Practices

The Industry Practices Committee promotes and communicates the NFMA's views on key issues that affect the municipal market to other market participants. We keep the organization apprised of matters related to disclosure, including developments related to 15c2-12 and any relevant legislation. We also evaluate other impactful market developments and work with the Executive Committee and Board of Governors to determine the NFMA's response, if any.

The committee is currently working on a letter to the SEC commissioners and the MSRB on the current state of disclosure in the municipal market. Some of the topics included are: **1) the extended timeframe it takes issuers to complete and make audits available; 2) the effect of the MSRB's guidance on selective disclosure that has curtailed issuers' willingness to speak with investors; 3) the provision of information to rating agencies, insurers and private investors (including banks as lenders) that is not made available publicly; 4) the need for interpretative guidance on disclosure expectations and practices; and 5) a need to improve the EMMA system to enhance its usability and effectiveness.** The letter will be shared with the membership and posted on [nfma.org](http://nfma.org) upon its completion.

If you have ideas or issues that you would like to bring to our attention or if you would like to volunteer for future Industry Practices Committee projects, please feel free to contact us at [BYRDN1@nationwide.com](mailto:BYRDN1@nationwide.com) or [lwashburn@mma-research.com](mailto:lwashburn@mma-research.com).

*Nicole Byrd & Lisa Washburn*  
*Industry Practices & Procedures Committee Co-Chairs*



*Nicole Byrd*



*Lisa Washburn*

## Treasurer's Report

At our January 2019 Board meeting, the board approved its 2019 budget of \$653,000 in revenue, the bulk of which is derived from annual conference registration, followed closely by annual dues and sponsorships. Budgeted expenses of \$689,400 are largely conference related followed by staffing expenses. Annual Conference and Advanced Seminar registrations are down from historical norms and the expense of providing educational events continue to be pressured by rising food and beverage and audio/visual costs. Additionally, the 2019 budget includes speaker costs which had not been built into prior years' budgets. To effectively close the budget gap and to achieve profitable financial results, steps taken include:

- > Increased registration fees – upcoming Annual Conference and future Advanced Seminars
- > Increased sponsorships – both in number of sponsors and enhanced level of sponsorship – Diamond Plus
- > Growth in membership through New Member Outreach
- > Increased Membership Fees are under discussion

As of the end of January 2019, \$2mm of investments met the Board-approved target of the greater of \$2mm or 2.5x operating expenses. Investment allocations continue to perform within target allocation ranges.

*Respectfully submitted,*  
*Anne Ross*  
*Treasurer*



*Anne Ross*



## EDUCATION COMMITTEE

Our educational programming kicked off in January with the Advanced Seminar on P3s in Austin on January 31st and February 1st. Attendance was strong, despite the polar vortex snarling some travel plans. Thank you to my co-chair, Michael Taylor, for helping to plan to the event as well as for all his hard work on the Education Committee over the past two years.

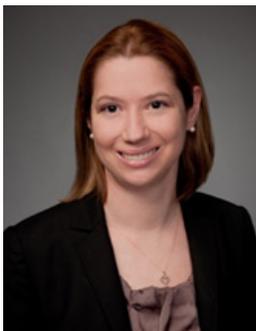
Next up will be our 36th Annual Conference, which will be held at the Belmond Charleston Place Hotel in Charleston, South Carolina May 7th through the 10th. Kurt Forsgren and Matt Hilliard, along with their planning committee, have worked hard to provide a strong and diverse agenda. In addition to the regular packed program, the event will feature two optional professional development sessions on relative value and financial modeling as well as two area tours. Registration is currently ongoing. We look forward to seeing you there. Plan on attending through to the last panel and be eligible to win an iPad Pro!

We welcome John Ceffalio, who along with myself, has begun to plan the Advanced Seminars for the coming year. The Fall 2019 Advanced Seminar will focus on the changing healthcare market and take place in Minneapolis, MN. Stay tuned for additional information in the coming months.

Finally, in the Fall we will be holding our Introduction to Municipal Bond Credit Analysis course, with Elizabeth Hill and Bill Bonawitz as conference co-chairs.

Analyst education is one of the key tenets of the NFMA. If you have a topic that you believe we should address in an upcoming meeting or through a webinar, please reach out to me at [rachel.barkley@loopcapital.com](mailto:rachel.barkley@loopcapital.com).

*Rachel Barkley*  
Education Chair



*Rachel Barkley*

## Disclosure

The committee for the Toll Road RBP has been fully formed, and has begun the process of updating this important RBP. We hope to have additional updates on its progress in the months to come.

The Dedicated Tax Committee continues to work on drafting an updated RBP. The progress made on this RBP has been significant, and we are hopeful that a final draft will be available in the next few months.

We appreciate the hard work and contributions the various RBP committees have made toward the NFMA's goal of improving disclosure in the municipal marketplace. As always, we will continue to reach out to NFMA members to participate in our disclosure initiatives.

*Kelly Cruse and Dennis Whittaker*  
Disclosure Committee Co-Chairs

# SMFS

Southern Municipal Finance Society

We have begun the process of planning for our bi-annual conference to be held in Nashville, TN at the Gaylord Opryland Resort & Convention Center September 18 –20. Our present plan is to explore a number of the opportunities and challenges that come with some of the region's rapid growth and as well as the elements of our region that have either stagnated or continue to experience economic challenges. We look forward to putting on a great program for the event and hope to see as many as possible in Nashville later this year.

We are also in the process of planning our annual member get together at the NFMA annual conference in Charleston, SC. We will have more to say about this event and our September conference as details become available.

As always, we are eager to expand our membership and to have both our new and existing members become involved in the staging and planning of our events. If you are interested in joining the SMFS or already a member and would like to become more involved, please feel free to contact me at either [dwhittaker@arvest.com](mailto:dwhittaker@arvest.com) or **501-379-7095** or speak to other members of our board.

*Dennis J. Whittaker, CFA*  
SMFS Chair

# MAGNY

Municipal Analysts Group of New York

If municipal finance had been a category at this year's Academy Awards, MAGNY would have had two nominations. The 2019 program season has been spectacular.

January 11, 2019 - MAGNY hosted economist Richard Prisinzano, the Tax Foundation's Nicole Kaeding, Fitch Group Credit Officer Dr. Olu Sonola, and Standard & Poor analyst Timothy Little as they presented demographic changes in the U.S. These changes have been driven by continued high levels of immigration, changes in state tax law, the aging of the Baby Boomers, and a slower rate of family formation by Millennials. The panelists presented a variety of views, ranging from demographic change having a muted effect on municipal finance to full-bore "doom and gloom" scenarios.

February 8, 2019 - Moderator Mark Schmidt of Morgan Stanley & Co. led panelists Gerry Lewis of Ascension Technologies, April Semilla of IHS Markit, and NYU Langone Health's Dr. Paul Testa in a discussion of rising healthcare costs. Providers are struggling to adapt to a new market that is increasingly rewarding them for more cost efficient and high quality care, and a new cohort of consumers who are demanding easier access to health services and more transparent pricing. Technology had historically failed to keep up with medical advances that significantly improved life expectancies and quality-of-life across a broad array of conditions. Tougher competition and lower margins are requiring hospital systems to rapidly deploy advanced technologies to improve the patient experience, decrease errors, minimize hospitalization time, and reduce costs, all while providing more effective treatment.

And while interviewing MAGNY Program Chair Michael D'Arcy on the red carpet, we learned that upcoming programs include:

**March 8, 2019:** Climate Change & the Muni Sectors: How Are Actors in Each Sector Planning Ahead?

**April 12, 2019:** Everything You Always Wanted to Know about Muni Workouts, But Were Afraid to Ask

**May 17, 2019:** Puerto Rico Update: The Latest Developments, including COFINA & the Rulings of Judge Swain

***The show must go on.***

*Michael Imber*

*MAGNY Treasurer*

# MSMA

Minnesota Society of Municipal Analysts

In November, MSMA took a tour of the MSP airfield following a presentation from the CEO of the Metropolitan Airports Commission, Brian Ryks. The AVP of Governmental Affairs, Mitch Kilian, described the ins and outs of airport operations as we drove around the airfield. Given his experience at the MAC, we learned about strategic decisions the airport has made that have given it its unique attributes today, such as the runway layout, the two terminals, etc. Additionally, with regards to public affairs, Kilian had excellent insight into how the legislators' priorities fit into the airport, how the MAC works with surrounding municipalities, and how the airport is focusing on climate and conservation initiatives.



In January, MSMA was fortunate to have Tom Doe, President of Municipal Market Analytics, come speak to the group. He gave an outlook for 2019 that covered a broad swath of subjects pertaining to what we might expect from market supply and demand, fundamentals, and political shifts that could (or could not) shape the markets this year.

We are looking forward to hosting a luncheon on March 14 featuring Gavin Wilkinson from UMB who will be speaking to us about defaults and workouts.

*Brent Miller*

*MSMA Vice President*

# CMAS

Chicago Municipal Analysts Society

We closed out 2018 with the annual meeting and holiday party at Sunda. In January, CMAS kicked off 2019 with its annual outlook conference, which was hosted and sponsored by Mesirow Financial for the eighth consecutive year. We heard from Rick Matoon of the Chicago Fed, from Phil Fischer of BAML, from Jennie Bennett of Chicago Public Schools, from Blake Anderson of Mesirow, from David Bodek of S&P Global Ratings, and from Bill Black of City National Rochdale.



The 2019 CMAS Board from left to right: Kristen DeJong, Matt Harvey, Molly Shellhorn, Jason Appleson, Carol Spain, Rachel Barkley, Bedford Lydon, and Greg Rawls.

The 2019 CMAS board held a three-hour meeting in late January to plan events for the year. Although “wheres, whens, and whos” are yet to be finalized, the tentative calendar is rather full. Look for a healthcare event in March. In April, we are planning a post-Chicago election reflection and an event tailored toward students at the Harris Graduate School of Public Policy. We’re looking to have an economic update in June and a summer outing in late July.

We are looking forward to a full 2019. Please don’t hesitate to reach out to me or to other board members if you any questions or suggestions.

*Bedford Lydon*  
CMAS President



# CSMA

California Society of Municipal Analysts

The CSMA wrapped up 2018 with its annual holiday party. The event was held at Per Diem in San Francisco. The CSMA is planning several events for this year. We held a happy hour on March 6th atAmericano Restaurant and Bar in San Francisco to kick off the year and give members an opportunity to get to know one another better. We are also planning a luncheon event the second week of April on Transportation in San Francisco with exact location still to be confirmed.

The board is already busy planning our fifth annual CSMA Napa Conference for November 6-8 at the Silverado Resort in Napa, CA. We encourage members to reach out to the board throughout the year with event ideas and feedback. We look forward to another great year!

The 2019 board members are: Robin Fisher, Franklin Templeton (Chair); Jason Pollock, Wells Fargo Bank (Vice-Chair); Alexandra Cimmiyotti, Moody’s (Treasurer/ Secretary); Marie Autphenne, Raymond James (Senior Program Chair); Andrew Porges, Assured Guarantee (Program Chair); and Todd Tauzer, S&P Global Ratings (At-Large).

The CSMA is pleased to announce that Renee Dougherty, with Charles Schwab, was the recipient of the 2018 Amy S. Doppelt Award. The CSMA Board would like to congratulate Renee and thank her for her immense contributions to the municipal industry.

Finally, the board would like to thank Karen Ribble, immediate CSMA past chair for her service and leadership on the CSMA board.

*We look forward to another great year!*

*Robin Fisher,*  
CSMA Chair

# PhAMAS

Philadelphia Area Municipal Analysts Society

PhAMAS is off to a strong start with a new slate of officers, who were confirmed by the membership in November 2018, ready to go for 2019. The new team includes the following:

Position	Person	Firm
Chair	<i>Ron Mintz</i>	Vanguard
Vice Chair	<i>Jim Balazsy</i>	Glenmede Investment Management
Treasurer	<i>Erin Ortiz</i>	Janney
Program Chair	<i>Ken Weinstein</i>	PNC Capital Advisors
Asst. Program Chair	<i>Ellen Cannarsa</i>	Vanguard
Immediate Past Chair	<i>Stephen Winterstein</i>	Wilmington Trust

We kicked off our event schedule on January 24, 2019 with our traditional Municipal Market Outlook for the new year. This time we were fortunate to have Gus Faucher, the Chief Economist of PNC, give an economic outlook. This was followed by a discussion between Sean Carney, the Head of Municipal Strategy at Blackrock, and Vikram Rai, the Head of Municipal Strategy at Citi. Both shared views and there was an interesting discussion, especially where there were different views among the speakers and attendees. We are grateful for the time and expertise of all three gentlemen.

On Thursday, February 21, 2019 there was “An Afternoon With Bloomberg” which featured analysts from Bloomberg to discuss the tools available to municipal analysts. It was an interesting and informative session to learn new skills or refresh those that have been dormant.

We expect to continue with our once-a-month (outside of summer, when all true Philadelphians are “Down the Shore”!) event schedule going forward and are looking forward to more informative programs, social events, and other opportunities for analysts in the Philadelphia area to get together.

*Ron Mintz*  
PhAMAS Chair



# BMAF

Boston Municipal Analysts Forum

The BMAF wrapped up a busy 2018 with our annual holiday party at Kings Bowling in November. We'd like to thank Assured Guaranty for generously sponsoring once again. And congratulations to the team of Jim DiPetrillo, Ross Milne, Thalia Meehan, Mike Maresca and Mike Bronson for their top-notch bowling skills that landed them the coveted 2018 Team Trophies. And congratulations to this year's individual champion and now proud owner of the BFMA Bowling Championship Belt: Thalia Meehan!

The BMAF kicked 2019 off with a lively Market Outlook panel in January. Participants included Peter DeGroot (JP Morgan), Mikhail Foux (Barclays) and Vikram Rai (Citi). Our next event will be in March, where we'll discuss Puerto Rico's recent COFINA exchange, ongoing restructuring developments and economic prospects for the Commonwealth.

We are pleased to announce that John Murphy will join the Board as our 2019 Treasurer. Along with being an active member of the BMAF and NFMA, John brings a wealth of knowledge, experience and connections. John will join Dan Barton (Vice President) and me on the 2019 board.

The Board would also like to thank Henry Hong for his three years of service and commitment to bringing educational and exciting events to the BMAF membership. As immediate past-president, Henry will continue to represent BMAF on the NFMA Board for an additional year.

We are looking forward to an active 2019 and encourage members to reach out with suggestions and feedback.

*Nate Harris*  
BMAF President

## 2019 NFMA Board of Governors

Name	Seat
Scott Andreson	Chair
Nicole Byrd	Vice Chair
Anne Ross	Treasurer
Rachel Barkley	Secretary
Mary Francoeur	Past Chair
Dan Belcher	At-Large
Mark Capell	At-Large
John Ceffalio	At-Large
Robin Fisher	CSMA
Nate Harris	BMAF
Matt Harvey	CMSA
Matt Hilliard	MSMA
Henry Hong	BMAF
Mike Imber	MAGNY
Angela Kukoda	SMSF
Bedford Lydon	CMAS
Brent Miller	MSMA
Ron Mintz	PhAMAS
Robin Prunty	At-Large
Karen Ribble	CSMA
Betsy Shelton	At-Large
Dennis Whittaker	SMFS
Dan Wilson	MAGNY
Adebola Kushimo	Alternate

## New Member Advancement

The New Member Advancement committee focuses on improving outreach and programming for newer members, as well as expanding outreach to universities and students, who are potential future members. Several students from the University of Texas Lyndon B. Johnson School of Public Affairs attended the advanced seminar on P3s & Infrastructure in Austin. Students and new members gathered for a “meet and greet” during the conference. A similar gathering for new members and first-time attendees will be offered at the annual conference in Charleston. Look for a sign marked **“New Member Advancement”** during the welcome reception.

In February, the New Member Advancement committee partnered with MAGNY to host a municipal career panel for students at Columbia University. Similar events with other constituent societies are in the works.

If you have ideas that you would like to share with the New Member Advancement group, please contact [Kristen.DeJong@nuveen.com](mailto:Kristen.DeJong@nuveen.com).

*Kristen DeJong*

*Chair, New Member Advancement*

# NFMA Sponsors 2019

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EMMA

If your firm would like to be a sponsor for 2019,  
contact *Lisa Good* at [lgood@nfma.org](mailto:lgood@nfma.org).

## NFMA Calendar

**March 20, 2019 BMAF Meeting**

Puerto Rico - Restructuring & Outlook

**April 12, 2019 MAGNY Luncheon**

Everything You Always Wanted to Know  
about Muni Workouts, But Were Afraid to Ask

**May 7, 2019 - May 10, 2019**

NFMA 36th Annual Conference,  
Charleston, SC

**November 21, 2019 - November 22, 2019**

NFMA Introduction to Municipal Bond Credit  
Analysis – Philadelphia, PA

**April 21, 2020 - April 24, 2020**

NFMA 37th Annual Conference, New  
Orleans, LA

**May 11, 2021 - May 14, 2021**

NFMA 38th Annual Conference, Orlando, FL

Go to the event  
calendar at  
[www.nfma.org](http://www.nfma.org)  
for more details  
on these and  
constituent  
society meetings.



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