

NFMA 37th Annual Conference
April 21-24, 2020
New Orleans Marriott
New Orleans, Louisiana



NATIONAL FEDERATION
of MUNICIPAL ANALYSTS



2020

Tuesday, April 21, 2020

1:00 pm - 5:00 pm - **Registration**

7:00 pm - 8:00 pm - **Welcome Reception**

Meet up with other registrants at the Welcome Reception to begin the conference. New members and first-time attendees will gather at a sign marked **"New Member Advancement"** for an informal meet and greet.

Wednesday, April 22, 2020

7:00 am - 5:00 pm - **Registration**

7:30 am - 8:30 am - **Continental Breakfast**, sponsored by **Refinitiv**

8:00 am - 8:15 am - **Welcoming Remarks**

Welcome to the 37th Annual Conference of the NFMA! Remarks will be given by **Nicole Byrd**, NFMA Chair, Senior Investment Professional, Nationwide Insurance, and **Matt Hilliard**, Annual Conference Chair, Senior Credit Analyst, Thrivent

8:15 am - 9:00 am - **Conversation with James Carville**

James **"The Ragin' Cajun"** Carville is America's best-known political consultant. His long list of electoral successes evidences a knack for steering overlooked campaigns to unexpected landslide victories and for re-making political underdogs into upset winners. In recent years, Carville has not been a paid political consultant for many domestic politicians or candidates, instead focusing on campaigns in more than 23 countries around the globe stretching from the continents of South America to Europe to Africa and most recently Asia.

James Carville is also a best-selling author, actor, producer, talk-show host, speaker and restaurateur. Along with pollster Stanley Greenberg, Carville founded Democracy Corps, an independent, non-profit polling organization dedicated to making government more responsive to the American people.

Carville also serves as a professor of Practice at Tulane University in New Orleans, where he lives with his wife Mary Matalin and their two daughters.



Nicole Byrd, NFMA Chair, will represent the municipal analyst community in this Q&A session with Mr. Carville.

9:00 am - 9:15 am - **Break**

9:15 am - 10:30 am - **ESG Integration in the U.S. Municipal Asset Class**

While ESG integration in fixed income is still in its relative infancy compared to equities, it is expanding rapidly and is now relevant to many asset classes including municipal bonds. One can argue that ESG integration in municipals is extremely important because the market is less liquid than others and so when a major ESG incident does occur there could be a material impact on an issuer(s) willingness and ability to repay debt. To better manage risk, what are the relevant ESG factors that should be reported, measured, analyzed and integrated? Leading professionals will share their perspectives on trends in ESG disclosure, impact measurement, market acceptance and standardization.

Moderator: Ksenia Koban, Vice President, Payden & Rygel

Speakers: Wayne A. Seaton, Director, Product Strategy and Development, Sustainalytics; **Chris Hartshorn**, Chief Commercial Officer, risQ; **James McIntyre**, Director of Capital Markets, New York State Homes and Community Renewal

10:30 am - 10:45 am - **Break**

10:45 am - 12:00 pm - **Cybersecurity: An Emerging Risk That Has Arrived**

For a long time, public finance issuers were most afraid of the stigma and headache of a cyberattack. This was due to most ransomware attacks only asking for a few thousand dollars, but in a unfamiliar currency and due to the negative effects on trust and reputation. But, in 2019, the number, type and cost of attacks have risen greatly. One mayor under attack offered \$400,000 as the 'going rate' for ransomware. In a coordinated attack, 23 Texas municipalities were simultaneously shut down. And business email compromise attacks in late 2019 were getting \$2 million an attack from a number of institutions. Rating agencies have begun to change ratings citing cyber breaches as a contributing cause. Please join these panelists in a lively discussion on the evolving sophistication of cybercriminals, the regulatory and market needs for disclosure, lessons learned from a recent attack, and what the rating agencies are asking in management meetings.

Moderator: *Geoffrey Buswick*, Managing Director, S&P Global Ratings

Speakers: *Rebecca Olsen*, Director, Office of Municipal Securities, Security & Exchange Commission; *Other speakers to be announced*

12:15 pm - 2:00 pm - **Luncheon Sponsored by Lapis Advisors**

The NFMA continues its 37-year tradition of presenting awards for outstanding contributions to the organization and industry. Awards will take place during lunch. Following the awards, a short business meeting, with presentations by key NFMA committee chairs, will take place.

Presenter: *Scott Andreson*, Chair, NFMA Awards Committee, Director of Fixed Income, American Family Insurance

2:15 pm - 3:30 pm - **P3s in the Spotlight: What Challenges Persist in Successfully Executing Public-Private Partnerships?**

P3s often promise both accelerated and lower cost project delivery when compared to traditional municipal procurement and financing methods. This panel will discuss many topics relevant to past, present and future P3 development. We will examine the factors and risk mitigants that can contribute to successful project delivery. We will also look at lessons that can be learned from the ongoing terminal project at LaGuardia, the recent termination for convenience of Denver's Great Hall, and the IFA's termination of the I-69 project in 2017.

Moderator: *Maria Matesanz*, Independent Consultant, MEM Consulting,

Speakers: *Neal Attermann*, Director, Citigroup; *Mark Pascarella*, Debt Manager, Indiana Finance Authority; *Diana Parks*, Partner, Chair, Infrastructure & P3 Practice Group, Dorsey & Whitney LLP

3:30 pm - 3:45 pm - **Break**

3:45 pm - 5:00 pm - **Will the Changing Landscape of the High Yield Muni Market Trickle Down?**

Market fundamentals, interest rates, fund flows and even green bonds are conducive to the perpetuation of a strong high yield pipeline. What demographic and other macro changes are adding fuel to the high yield fire? This panel will cover many trends in the traditionally "High Yield" market sector. We will also discuss the prevailing covenant light vs covenant right debate and ask 'which key covenants or credit fundamentals can you never live without?'. Finally, we will assess the implications of high yield trickling down, or trickling up, into the "Investment Grade" space.

Moderator: *Yaffa Rattner*, Managing Director, Piper Sandler

Speakers: *Blake Anderson*, Senior Managing Director, Head of Strategy and Research, Mesirow Financial; *Jason Appleson*, Portfolio Manager, PT Asset Management; *Mark Holmstedt*, Owner, Westhoff, Cone & Holmstedt

5:00 pm - **Free Evening**

Enjoy New Orleans on your own. Remember to use Whova, the NFMA's conference app, to reach out to others to set up dinner or other activities.

5:15 – 6:30 pm - **Mentorship Session**

Are you looking for career advice? Want to get to know some of the industry's leaders? Are you hoping to connect with someone from a different firm? Or, are you an experienced member with ideas that you would like to share with newer analysts? If you said yes to any of the questions above, then please join us for the Mentorship Session. Newer and mid-career NFMA members will have the opportunity to meet and connect with senior leaders to discuss career development, handling challenges in the workplace, and ideas on how to best achieve your professional goals. Come and join us!

Thursday, April 23, 2020

7:00 am - 8:00 am - **Continental Breakfast**

7:00 am - 8:00 am - **Past Chairs' Breakfast (past NFMA Chairs and Executive Committee members only)**

8:00 am - 9:15 am - **Two Decades of Charter School Investing: The Good, The Bad and The Ugly**

Amidst the struggle for political support, equitable facilities funding and access to low cost capital, charter schools' first and foremost mandate is positive academic outcomes. This panel will discuss the underpinnings of successful charter schools: rising student demand, experienced leaders, networks of charter management organizations, positive charter school legislation, and quality authorizers. We will also explore some of the early warning signs that investors should be aware of. Finally, we will cover some of the lessons learned from situations when a bond is downgraded, a charter is revoked, or a school is closed.

Moderator: *Maria C. Sazon*, Director, Assured Guaranty

Speakers: *Todd S. Emerson*, CFA, Vice President, Sit Investment Associates; *Eric Duran*, Managing Director, D.A. Davidson & Co.; *Jacqueline Shanes*, Esq., Partner, McCarter & English, LLP

9:15am - 9:30am - **Break**

9:30am - 10:45am - **Bigger than Pensions, and Growing Faster than Revenues - Why Medicaid Matters for All Municipal Credit Sectors**

Medicaid has the dubious distinction of being one of the fastest-growing components of many state budgets, it's also one of the largest. Conversations with state budget managers about fiscal risks usually start and end with Medicaid. However, Medicaid affects more than just state credit - its size often dictates how much states can devote to other sectors like K-12 schools and public higher education. Further, Medicaid covers approximately 1 in 5 Americans, making it one of the country's largest insurers and a key payor for many healthcare institutions. This panel will discuss how states are managing Medicaid's budgetary challenges, with a focus on the newest state and federal developments around the program. We will also talk about what those state and federal efforts mean for healthcare providers.

Moderator: *Eric Kim*, Senior Director - Public Finance, Fitch Ratings

Speakers: *Robin Rudowitz*, Vice President and Co-Director of Program on Medicaid and the Uninsured, Kaiser Family Foundation; *Roger Mattke*, MBA, FHFMA, Senior Vice President and Chief Financial, Lafayette General Hospital; *Shelby Kerns*, Executive Director, National Association of State Budget Officers

10:45 – 11:00 am - **Break**

11:00 am - 12:15 pm - **Disruptive Changes in the Municipal Market**

Trading platforms are evolving, and data is coming in faster and faster (and in new ways). As algorithmic pricing and trading gains currency in the muni market, we discuss strategies that stand to change the old playbook around how munis are issued, traded, and analyzed. We get perspective from underwriting, trading, and research on how technology is rethinking traditional job descriptions for the decades ahead.

Moderator: *Mark Schmidt*, Municipal Strategist, Morgan Stanley

Speakers: *Tom Lockard*, Head of Investment Banking, 280 CapMarkets; *Stephen Winterstein*, Municipal Bond Product Manager, MarketAxess Holdings Inc.; *Simon Wu*, Chief Economist, Municipal Securities Rulemaking Board

Optional Activities for Thursday Afternoon (all require pre-registration)

12:30 pm – 1:30 pm - **Lunch & Learn: Bloomberg BVAL “Lunch & Learn”**

Bloomberg is sponsoring a lunch and learn program for registrants interested in learning more about their BVAL product. More information to come.

Lunch will be provided; registration is required.

12:30 – 1:30 pm - **Lunch & Learn: Muni Bond Pricing Through Deep Learning**

In recent years, the amount of data in the world has reached all-time highs with over 2.5 quintillion bytes of new data created daily. The proliferation of data has increased our access to information, but also posed a number of challenges: How do you process large amounts of data? How do you preserve data quality? How can you transform data into market intelligence?

PricingDirect recently leveraged machine learning to overcome these challenges. Using artificial neural networks, the PricingDirect team developed and deployed a machine learning driven municipal bond pricing service. Join Unmesh Bhide, Founder of J.P. Morgan’s PricingDirect, and members of the PricingDirect team, as they discuss the practical application of machine learning in the municipal bond valuation space. Bhide and team will discuss, firsthand, how they are transforming mass amounts of data into independent valuable market intelligence.

Speaker: *Unmesh Bhide*, Founder, PricingDirect

Lunch will be provided; registration is required.

1:30 pm - 2:30 pm - **Professional Development**

For this year’s professional development program, a less senior analyst will serve as the interviewer for two experienced thought leaders in the municipal bond industry. The “target audience” for this program is the junior analyst, but all are welcome.

Interviewer: *Mel Brown*, Officer, Asset Management, Northern Trust

Speakers: *Jeffrey Burger*, Director & Senior Portfolio Manager, Mellon; *Mary Colby*, Vice President, Charles Schwab Investment Management

2:30 pm – 5:30 pm – Port of New Orleans Tour

Information on the tour and how to register for it (it requires separate registration) will be announced when available.

6:30pm - 8:30pm - Cocktail Reception

Join us for a fun and lively reception, with drinks and hors d'oeuvres. Network and socialize before heading out for the evening.

Friday, April 24, 2020

7:00 am - 8:00 am **Continental Breakfast**

8:00 am – 9:00 am **First Breakout Hour – Breakouts 1, 2, 3, 4**

9:00 am – 9:30 am **Break**

9:30 am – 10:30 am **Second Breakout Hour – Breakouts 1, 2, 5, 6**

10:30 am – 11:00 am **Break**

11:00 am – 12:00 Noon **Third Breakout Hour – Breakouts 1, 3, 5, 6**

Breakout 1 -Municipal Analysts’ Scrum

Speakers: YOU – the NFMA Conference attendees – will be the featured speakers in a referee-controlled, round-table discussion about almost any muni topic you want. The new wrinkle in this year’s Scrum is that we want you to brainstorm some SOLUTIONS for the problems we discuss in an off-the-record environment.

Several subject matter experts will help guide the conversation on municipal distress situations, pensions, infrastructure, higher education, healthcare, ESG, economic development or municipal market conditions or other topics. No municipal subject is off-limits.

Speakers: Michael Imber, Managing Director, Eisner Amper LLP; **Barbara VanScoy**, Fixed Income Fellow, Heron Foundation; **Tom Aaron**, Vice President, Moody’s Service; **Cheryl Cherry**, Self-Help Credit Union; **Jon Eisenstein**, CapZone Analytics; **Rudy Salo**, Nixon Peabody; **William Rhodes**, Partner, Ballard Spahr; **Robbi Jones**, Kipling Jones & Co.; **Ron Winters**, Gibbins Advisors

Breakout 2 - The Sinkholes in Dirt and Real Estate Backed Transactions

From traditional dirt deals to multi-family and student housing, real estate backed municipal bond financings often have many unique challenges and pitfalls when they go into distress. Navigating the challenges of lease structures, apportioning assessments and dealing with use restrictions are just some of the many “sinkholes” to avoid during a workout of a real estate backed transaction. Our panelists will weigh in on whether or not issuance in the sector has gotten too aggressive and discuss lessons learned through several recent case studies.

Moderator: Poonam Patidar, Member, Mintz Levin

Speakers: David Thorkelson, Senior Analyst, Vanguard; **Jim Truitt**, Senior Counsel, MFS; **David Fields**, Managing Director, RBC

Breakout 3 - The Active Versus Passive Management Debate Ripples into the Muni Market

Can passively managed municipal bond funds and ETF’s be successful? Why would investors opt to use passive municipal bond ETFs v. professionally managed funds? What is the potential impact on the municipal bond market, the value of research, credit selection, and spreads?

Moderator: J.R. Rieger, Owner, The Rieger Report® LLC

Speakers: *Matt Forester*, Director & Chief Investment Officer, Lockwood Advisors, Inc.; *Beth Foos*, Senior Analyst, Manager Research, Morningstar Research Services LLC; *James Colby*, Portfolio Manager, VanEck

Breakout 4 - Lessons Learned from a Career in Public Finance

Every professional journey is filled with its own set of successes and challenges. This session will bring together a group of panelists that will reflect on their own career progression through the industry. By recounting their own personal experiences, panelists will provide valuable insight on key career lessons as well as tips and advice on how to develop a successful career path in Public Finance. Following a moderated Q&A, there will be a breakout session where attendees will have the chance to interact with the panelists in smaller group settings. This is an initiative of New Member Advancement, a subcommittee of the NFMA's Membership Outreach Committee.

Moderator: *Kristen DeJong*, VP, Senior Research Analyst, Nuveen Asset Management

Speakers: *Nicole Byrd*, Senior Investment Professional, Nationwide Insurance; *Tom Kozlik*, Head of Strategy and Credit, Hilltop Securities; *Mikiyon Alexander*, Director, Fitch Ratings; *Ted Damutz*, Treasury Manager, City of Raleigh, NC

Breakout 5 - The US Electric Industry is in Transition as Public Power Faces Challenges

Climate change, battery technology, ESG and the ongoing transition to cleaner energy, changes to organizational structure, and new market entrants are impacting public power electric utilities. All the while, investors need to consider if these risks are being communicated well enough to provide them with the necessary transparency. This panel will discuss the complexities of publicly owned utilities, including how they are being challenged by various privatization efforts. The panel will also cover the lessons to be learned from the PG&E bankruptcy and the formation of community choice aggregators.

Moderator: *Dan Aschenbach*, Partner, AGVP Advisory

Speakers: *Mark Bonsall*, President Chief Executive Officer, South Carolina Public Service Authority; *Michael Mace*, Author of JEA Privatization Cost and Benefit Study, Senior Managing Partner, Public Financial Management; *Terrence Smith*, Chairman and Chief Executive Officer, Smith Research and Gratings

Breakout 6 - The Impact of Retirement Plan Liabilities on Fundamental Municipal Credit Analysis

The municipal market continues to be impacted by \$5 trillion in unfunded pension and OPEB liabilities across states and local governments. This panel will discuss contrasting political environments and constituencies, oversight programs and pending benefit bills working their way through various state legislatures. Healthcare cost inflation, significant changes to GASB reporting and the outcomes of municipal bankruptcies have increased attention to the importance of OPEB analysis. The panel will take a deeper dive into OPEBs, including appropriate analysis, actuarial treatment and adjustments, cost and funding variations across governments, cost expectations; as well as legal, political, economic and practical considerations.

Moderator: *Mark Whitaker*, Senior Vice President, Mesirow Financial

Speakers: *Thomas Aaron*, Vice President, Moody's Investors Service; *Dan Horn*, Manager, Analytics and Outreach Section, Michigan Department of Treasury; *Amy Monahan*, Melvin C. Steen Professor, University of Minnesota Law School

12:00 pm - **Conference Adjourns**

See you next year at Disney's Grand Floridian, Orlando, Florida, May 11 - 14, 2021 for the NFMA 38th Annual Conference!

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Thanks to all of our 2020 Sponsors!

Sponsorship opportunities: Contact *Lisa Good*, NFMA Executive Director, at **412-341-4898**, or **lgood@nfma.org** if your firm is interested in becoming a sponsor.

Conference Registration Fee:

Before March 1	As of March 1
\$700 Member	\$750 Member
\$800 Non-Member	\$850 Non-Member

The registration fee includes all continental breakfasts, Wednesday's lunch, and cocktail receptions.

Registration is online only. You may pay by credit card or check. Confirmations will be sent to the email address used for registration. Checks should be made payable to the **NFMA and sent to: NFMA, PO Box 14893, Pittsburgh, PA 15234 no later than April 10.**

Discounted Registration

The NFMA provides a limited number of registration discounts for Government employees. To receive the appropriate discount code, please contact the NFMA at 412-341-4898, or lgood@nfma.org.

Guest Reception and Dinner Registration

\$100 for guest attending with conference registrant. Guest registration includes attendance at receptions on Tuesday, April 21 and the Thursday, April 23.

Cancellation Policy for Conference

Prior to April 1 – Full refund less \$50 processing fee.

From April 1 – April 15 – Refund equal to 50% of the registration fee.

After April 15 – No refund.

Substitutions from the same firm are permitted with prior notice to the NFMA. Walk-in registrations are discouraged; there is no guarantee of a seat for walk-in registrants.

Hotel

The site of this year's conference is the New Orleans Marriott, 555 Canal Street, New Orleans, Louisiana. A group rate of \$299 per night has been arranged for this meeting.

To reserve a room at the New Orleans Marriott, please use the following link:

<https://book.passkey.com/event/49930873/owner/6139/home> or call the hotel at

1-888-771-4429. When making reservations by telephone, please identify yourself as

part of the National Federation of Municipal Analysts (NFMA) 37th Annual Conference

Room Block staying at the New Orleans Marriott. The room block will close on March 31,

or when all rooms in the block have been filled, whichever occurs first.

Whova App

The NFMA 37th Annual Conference has a free, official app which you can download and be able to:

- > View the event agenda and plan your schedule
- > Find someone to share a cab (or Uber/Lyft) to go to the conference together
- > Plan some social activities such as a morning run, city tour, or meet-ups with your fellow attendees.
- > You can even post job openings.
- > Organize a group for dinner.
- > Receive updates such as last-minute room change from the organizers
- > Get presentation documents and slides

Please watch for instructions for downloading the app, including the invitation code, in your registration confirmation.

Suggested Attire

Business casual is suggested for all conference registrants and speakers. Resort casual is acceptable for evening events.

Questions/Concerns

Contact *Lisa Good*, NFMA Executive Director, at **412-341-4898**, or **lgood@nfma.org**