[MS-0293 040.011.011]

CC

CALIFORNIA DEBT ADVISORY COMMISSION

Presents

FUNDAMENTALS OF DEBT FINANCING
APRIL 2-3, 1992

MECHANICS OF A BOND SALE
MAY 14-15, 1992

Co-sponsors:

CALIFORNIA STATE ASSOCIATION OF COUNTIES
CALIFORNIA ASSOCIATION OF COUNTY TREASURERS AND TAX COLLECTORS

Hyatt Regency, Irvine • Irvine, California

California Debt Advisory Commission

FUNDAMENTALS OF DEBT FINANCING

Hyatt Regency • Irvine, California

April 2-3, 1992

Seminar Agenda

Thursday, April 2, 1992

8:00 a.m. Registration - Complimentary coffee and rolls will be provided.

8:30 a.m. Welcome and Seminar Opening

8:45 a.m. Types of Long Term Financing - A discussion of the basic "types" of long-term debt financing instruments: general obligation bonds, revenue bonds, and certificates of participation - including factors the issuer should take into consideration in the use of these instruments and the process of issuance for each instrument.

10:15 a.m. Coffee Break

10:30 a.m. The Issuer: How to Make Sense of the Financing Process - An issuer's perspective on the responsibilities of the issuer in the debt financing process. An overview of the critical considerations for all issuers.

11:00 a.m. The Financial Advisory Relationship - What advice and assistance should an issuer receive from a financial advisor? When is a financial advisor useful to an issuer? An issuer's perspective on how to evaluate the need for financial advisory services.

11:30 a.m Underwriters: What Are Their Roles? - What are the responsibilities of an underwriter in the debt issuance process? How does an issuer select an underwriter? How does an underwriter get paid?

12:00 p.m. LUNCH

1:30 p.m. The Role of Bond Counsel - A discussion of the tasks that bond counsel performs in rendering a legal opinion on your debt issue. This session will include a review of the major components of tax law related to tax-exempt bonds. The role of underwriter's counsel will be discussed with particular emphasis on disclosure requirements and the issuer's role in assisting in the preparation of the official statement. There will also be a review of current issues related to federal tax law or regulatory proposals that may affect tax-exempt debt.

2:15 p.m. Trustees: What Are Their Roles? - A discussion of the services provided by the Trustee during the life of the bond issue. What additional types of assistance can be expected by the issuer in this time period?

2:45 p.m. Coffee Break

3:00 p.m. Fundamentals of Issuance - Critical terms and concepts which are fundamental to the issuance of long-term debt will be reviewed. Examples include: public vs. negotiated sale; true interest cost vs. net interest cost; discount, par, and premium in bond pricing, as well as other concepts encountered in issuing debt.

5:00 p.m. Reception - Courtesy of the California Public Securities Association

Friday, April 3, 1992

8:30 a.m. Complimentary coffee and rolls will be provided.

9:00 a.m. Municipal Bond Credit Ratings Analysis - A review of what bond credit rating agencies consider in their analysis of issues and how issuers can strengthen their ratings. Emphasis will be placed on areas of particular concern to California county issuers.

9:30 a.m. Ethics and Public Finance Transactions - This discussion will center on how conflicts of interest and receipt of gifts are handled as part of the debt issuance process. Specific problems areas will be examined.

10:00 a.m. Coffee Break

10:15 a.m. Fixed versus Variable Rate Instruments - A discussion comparing and contrasting variable and fixed rate debt instruments. Variable rates after closing: how to live with them; when to convert?

10:45 a.m. Competitive versus Negotiated Sale - Selecting a method of sale is an important step in the financing process. Which bond issues should be competitively sold and which should be negotiated? In a negotiated sale, how do you "negotiate" with the underwriter?

11:15 a.m. County Debt Profile: Issues to Consider Prior to Undertaking Public Debt - A discussion of the funding alternatives that are available to public agencies for their capital projects, including a discussion of the policy considerations associated with issuing debt. Includes a discussion of the fiscal issues facing counties in the 1990's.

12:00 p.m. Seminar Closing

California Debt Advisory Commission

MECHANICS OF A BOND SALE

Hyatt Regency • Irvine, California

May 14, 1992

Seminar Agenda

Thursday, May 14, 1992

8:30 a.m. Registration - Complimentary coffee and rolls will be provided.

9:00 a.m. Welcome and Seminar Opening

9:15 a.m. Capital Outlay Planning/Defining Objectives - An issuer's perspective on how a local agency evaluates its overall capital needs considering current fiscal conditions.

10:00 a.m. Forming the Financing Team - What team members will an issuer need to complete a negotiated or competitive debt financing? What criteria should be used to select a team? Who should be selected first?

10:45 a.m. Coffee Break

11:00 a.m. Marketing & Pricing - The underwriter's and issuer's perspective on premarketing and marketing activities and the pricing call. This session will provide participants the opportunity to work through pricing sheets and participate in a mock pricing.

12:00 p.m. LUNCH

1:30 p.m. Marketing & Pricing (Continued)

3:00 p.m. Coffee Break

3:15 p.m. Bond Purchase Contract/Settlement & Close - A review of the documents and agreements involved in issuing debt, intended to highlight commitments being made for the life of the bonds. This session will also explain what happens on the day of closing and include a discussion of the problems and issues that may affect the transaction.

4:15 p.m. Investing Bond Proceeds Under Arbitrage Regulations - A discussion of your agency's reinvestment options, including an explanation of the agreements and the pros and cons of various investment vehicles, as they relate to the federal arbitrage rebate process. Included will be information on structuring investment agreements to provide protection and flexibility to your agency.

5:00 p.m. Reception - Courtesy of the California Public Securities Association

Friday, May 15, 1992

8:30 a.m. Complimentary coffee and rolls will be provided.

9:00 a.m. Ethics and Public Finance Transactions - This discussion will center on how conflicts of interest and receipt of gifts are handled as part of the debt issuance process. Specific problem areas will be examined.

9:30 a.m. On-going Administration of the Debt Issue - What are the responsibilities of the issuer once debt has been sold? This session looks at problems that may occur after the debt has been issued, including how the issuer treats delinquencies, foreclosures, and bankruptcies.

10:30 a.m. Coffee Break

10:45 a.m. Evaluating Your Sale In Preparation for Future Issuance - This session will provide information on how to evaluate the effectiveness of your financing team and the quality and cost of your issue, and how this evaluation may affect future financing decisions, including refinancings and refunding considerations. This session will also provide a review of debt capacity issues and other ratings criteria affecting future issuance.

11:30 a.m. Seminar Wrap-up

11:45 a.m. Seminar Closing

THE FACULTY

- Jan Brockman, Special Counsel, O'Melveny & Myers
- Aimee S. Brown, Principal, Artemis Capital Group, Inc.
- Kathleen Brown, California State Treasurer and Chair of the California Debt Advisory Commission
- Jerry Burke, President, HB Capital
- Jeffrey Chapman, PhD, Director of Sacramento Center, School of Public Administration, University of Southern California
- Sandra Davis, Treasurer and Tax Collector of Los Angeles County
- Stanley J. Dirks, Partner, Orrick Herrington & Sutcliffe
- Amy Doppelt, Vice President, Fitch Investors Service
- Albert J. Edwards, Vice President, U.S. Trust of California
- Susan Feller, Principal, Sherman & Feller
- Karen Hedlund, Partner, Skadden Arps Slate Meagher & Flom
- Cheryl Hines, Vice President, Morgan Stanley & Co., Inc.
- Virginia L. Horler, Sr. Vice President & Co-Manager, Rauscher Pierce Refsnes, Inc.
- Steve Juarez, Executive Director, California Debt Advisory Commission
- Jeffrey Leifer, President, Leifer Capital
- Jeffrey F. Rizzo, Vice President and Managing Director, Moody's Investors Service
- Paul A. Rosenstiel, Vice President, The First Boston Corporation
- Timothy Schaefer, Sr. Vice President, Evensen Dodge, Inc.
- Louis G. Solton, Treasurer and Tax Collector, County of Monterey
- Lester T. Wood III, Vice President, Fidelity Investments
- Sharon Yonashiro, Finance Officer, County of Los Angeles

CALIFORNIA DEBT ADVISORY COMMISSION

DEBT FINANCING SEMINARS
April 2-3, 1992
May 14-15, 1992
Hyatt Regency Hotel, Irvine, California

REGISTRATION FORM

To register for the financing seminars listed below, please complete this form, indicating the seminar you wish to attend, and return it to the California Debt Advisory Commission. **Payment of the registration fee must be enclosed.** Registration is limited to public agency officials. No walk-in registrations will be accepted. Hotel reservations should be made directly with the hotel. Special rates are available to participants.

Please complete one form for each participant.

Name _____

Title _____

Agency _____

Street _____

City _____ State _____ Zip _____

Telephone _____

I will attend the following seminar(s) at the Hyatt Regency Hotel, 17900 Jamboree Boulevard, Irvine, California 92714, Telephone (714)863-3111:

FUNDAMENTALS OF DEBT FINANCING April 2-3, 1992 Seminar/Hotel Deadline: **March 21, 1992** **Registration Fee $85.00**	Yes _____
MECHANICS OF A BOND SALE May 14-15, 1992 Seminar/Hotel Deadline: **April 22, 1992** **Registration Fee $85.00**	Yes _____

Enclosed is my registration fee of $ _____

Cancellation deadlines are March 21, 1992 and April 22, 1992 respectively, no refunds will be honored after these dates.

Return to:

Seminar Coordinator
California Debt Advisory Commission
P.O. Box 942809
Sacramento, CA 94209-0001
(916)653-3269

ABOUT THE PROGRAM

The California Debt Advisory Commission (CDAC) offers two seminar programs to assist public officials in understanding the debt issuance and debt management processes. The Fundamentals of Debt Financing seminar is designed for the novice and covers the basics of a bond issue, the participants' roles, types of debt financings, credit ratings, and disclosure issues. The Mechanics of a Bond Sale seminar covers advanced topics such as capital outlay planning, forming the financing team, marketing and pricing, living with the debt issue, and investment of bond proceeds. Both seminars include a discussion of how conflicts of interest and the receipt of gifts should be handled in the debt issuance process.

This co-sponsored event is part of the Commission's expanded technical assistance program which is structured to meet the specific public finance information needs of the local government associations who are co-sponsoring this event. The program was developed and coordinated with an education subcommittee of CDAC's Technical Advisory Committee and representatives of the co-sponsoring local government associations.

WHO SHOULD ATTEND

Elected officials, public agency officials, and their staff who are new to debt finance will be provided basic information in the Fundamentals seminar.

Elected officials, public agency officials, and their staff who want to demystify the debt issuance process will learn the technical aspects to completing a transaction in the Mechanics seminar.

While the information on debt issuance and management issues will be provided with a county focus, the information presented will be applicable to all local government agencies, and as such, all public agency officials are encouraged to attend.

Registration for both seminars is limited to public agency officials. No walk-in registrations will be accepted.

THE CO-SPONSORS

California Debt Advisory Commission

The California Debt Advisory Commission (CDAC) is the state's clearinghouse for public debt issuance information. The Commission was created in 1981 to assist state and local agencies with the monitoring, issuance, and management of public debt. This is accomplished through the Commission's three program areas: data collection and analysis, technical assistance, and policy research and development.

California State Association of Counties

Formerly the County Supervisors Association of California, the association was recently renamed to the California State Association of Counties, which more accurately reflects the diverse and extensive goals of its members. The Association's chief purpose is to advance the vital public interest in effective, efficient and responsive local government.

California Association of County Treasurers and Tax Collectors

The California Association of County Treasurers and Tax Collectors was formed to promote the general interest of its members and the counties they represent. This is accomplished by striving for higher professional standards, by exchanging information and ideas, and by stimulating a friendly and cooperative spirit among its members.

Any recommendations or opinions expressed herein or by program participants duringtheir presentation do not necessarily reflect the views of the Commission or the co-sponsors of this seminar.

GENERAL INFORMATION

Registration

Use the attached form and mail to the Seminar Coordinator, California Debt Advisory Commission, P.O. Box 942809, Sacramento, CA 94209-0001. Payment of the registration fee(s) must accompany the registration form. For additional applications, use photocopies or separate sheets giving the information requested on the form. Registration by FAX or purchase order is not permitted. Registration is limited to public officials. No walk-in registrations will be permitted.

Refund Policy

No cancellations or refunds will be made after March 21, 1992 for the Fundamentals seminar and after April 22, 1992 for the Mechanics seminar. Substitutions of officials or staff from the same entity is permitted.

Seminar Facility

These one and one-half day seminars will be conducted in the Conference Theater of the Hyatt Regency in Irvine. The address of the hotel is 17900 Jamboree Boulevard in Irvine, California 92714. The Conference Theater is located on the first floor of the hotel.

Lodging

Hotel reservations should be made directly with the hotel. Special rates are available to seminar participants. When making reservations, please indicate that you are attending the CDAC Debt Financing Seminars. No discounts will be given after check-in. For reservation information, call the Hyatt Regency in Irvine at (714) 863-3111.

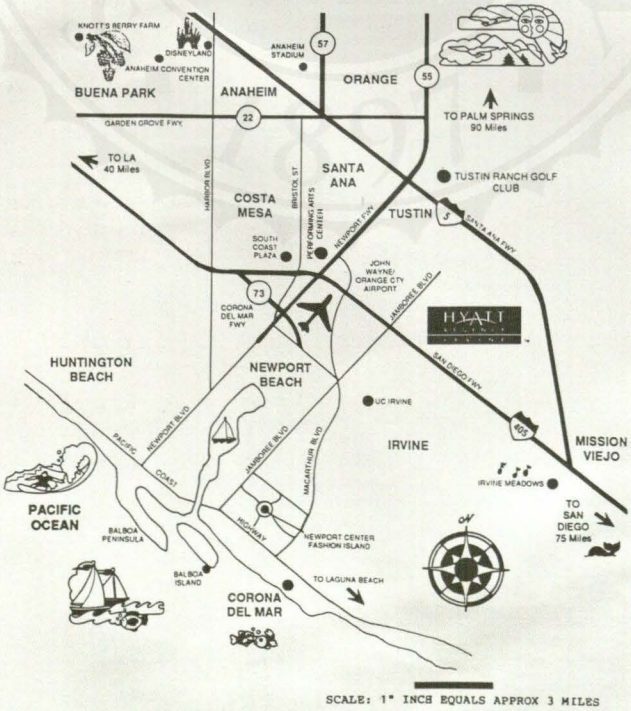
Transportation and Parking

- Arriving by Car. Exit Jamboree Boulevard, off the San Diego Freeway (405). On-site complimentary self-parking and valet parking is available.
- Arriving by Plane to John Wayne/Orange County. Complimentary shuttle service between hotel and airport, approximately five minutes.
- Arriving by Plane to LAX. Can use Airport Service Transportation/Super Shuttle directly from the gate to the hotel or rent a car upon arrival, 45 minutes. Commuter Airline connection from LAX to JW/OC on Dash Air or Airspur, 15 minutes.
- Arriving by Plane to Long Beach. Can use Airport Service Transportation/Shuttle directly from the gate to the hotel or rent a car upon arrival, 20 minutes.

For Further Information

Contact the Seminar Coordinator at the California Debt Advisory Commission, 915 Capitol Mall, Room 400, Sacramento, California 95814, (916) 653-3269.

THE HYATT REGENCY IRVINE



Seminar Coordinator
California Debt Advisory Commission
P.O. Box 942809
Sacramento, CA 94209-0001
(916)653-3269

CALIFORNIA
DEBT
ADVISORY
COMMISSION

Presents

FUNDAMENTALS OF DEBT FINANCING
APRIL 2-3, 1992

MECHANICS OF A BOND SALE
MAY 14-15, 1992

Co-sponsors:
CALIFORNIA STATE ASSOCIATION OF COUNTIES
CALIFORNIA ASSOCIATION OF COUNTY TREASURERS AND TAX COLLECTORS

Hyatt Regency, Irvine • Irvine, California

RECEIVED
MAR 03 1992
Ans'd.....

Leon Williams
District 4 County Supervisor
San Diego County
1600 Pacific Hwy.
San Diego CA 92101