



INSTITUTE AGENDA

NALEO National Policy Institute on Public Finance and Pension Fund Management and Bonds

May 18-19, 2018 | Holiday Inn Long Beach Airport| Long Beach, CA

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*NALEO National Policy Institute on Public Finance and
Pension Fund Management and Bonds*

May 18-19, 2018
Long Beach, CA

The number of Latinos serving in public office and the diversity of the communities they serve have continued to grow rapidly. As Latinos step into these leadership roles, it is essential they recognize that the most important responsibilities elected officials have as government leaders are the fiscal oversight of the jurisdiction they lead and to maintain the trust of the public they serve. A community's vision for the future will never come to fruition unless the policymakers leading it develop a deep understanding of the many factors affecting their jurisdiction's fiscal state of affairs and how these affect their ability to address priorities and needs. To be good stewards of their communities' resources and future vitality, policymakers must undertake efforts to learn and understand the complexity of public finance issues, including budgets, revenue sources, financial statements, pensions, and bonds, among others. The policymakers who develop the knowledge and ability to engage in these issues and make sound fiscal decisions will benefit their communities beyond the life of their political terms.

The NALEO National Policy Institute on Public Finance and Pension Fund Management and Bonds will provide municipal and county level policymakers with the opportunity to deepen their knowledge and leadership capacity to strengthen their jurisdictions' fiscal strength and outlook. Participants will acquire tools that will help them to successfully initiate, advocate, and mobilize in favor of more effective public finance management for their jurisdictions.

The Institute's curriculum will cover:

The Nuts and Bolts of Public Finance

- Public Officials as Fiduciaries
- Understanding the Budget and Local Government Revenue Sources
- Local Government Financial Reporting
- Financial Forecasting

Legacy Costs and Infrastructure Needs: Addressing Tomorrow's Greatest Fiscal Challenges

- Pension Funds
- Municipal Bonds

The Policy Institute will convene Latino policymakers with leading experts from the public, private, and non-profit sectors for two days of professional development that combine classroom and experiential learning and the exchange of ideas and best practices. Policymakers will receive timely information to strengthen their public finance governance skills that support effective leadership and will have the opportunity to network with colleagues and experts from throughout the country.

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Friday, May 18, 2018

7:30 a.m. – 8:30 a.m.

Registration and Networking Breakfast
Shoreline Foyer and Newport Room

8:30 a.m. – 8:45 a.m.

Welcome Remarks and Program Overview
Shoreline Room

- Hon. Pauline Medrano, Dallas County Treasurer, Texas;
NALEO President

8:45 a.m. – 9:45 a.m.

Opening Plenary: Public Officials as Fiduciaries
Shoreline Room

Elected officials make critical decisions on behalf of the public, including how to spend taxpayer and other public monies to best address the priorities and needs of the community - all while paving a path toward a fiscally sound future. Upon being elected or appointed, public officials have the fiduciary responsibility to be good stewards of the public treasury and to actively engage in building stronger communities. Through this opening discussion, seasoned policymakers will share their best practices, and lessons learned, for how to best fulfill this fiduciary responsibility while building and maintaining public trust that advances the needs of the community as a whole.

Chair: Hon. Pauline Medrano, Dallas County Treasurer, Texas;
NALEO President

Institute Facilitators:

- Hon. Paul López, Councilmember, City and County of Denver, Colorado; Former NALEO Board Member
- Hon. Michele Martinez, Mayor Pro Tem, City of Santa Ana, California; Past NALEO President
- Hon. Anna Tovar, Mayor, City of Tolleson, Arizona;
Former State Senator

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Friday, May 18, 2018 (Continued)

9:45 a.m. – 11:15 a.m.

Session I - Understanding the Budget and Local Government
Revenue Sources

Shoreline Room

Local governments provide numerous vital services to their residents and businesses. These include public safety, road maintenance, and parks and recreation among many others. Knowing and understanding how these needs are funded and how resources are allocated to different priorities is critical to a policymaker's effectiveness. Public officials need to know their budget and must understand the sources of federal, state, and local tax and nontax revenues that fund their jurisdictions. This session will provide participants with an overview and better understanding of the major sources of revenue local governments receive to fund their operations and will equip them with tools to ask the right questions about their own budgets and revenue sources.

Chair: Hon. Michele Martinez, Mayor Pro Tem, City of Santa Ana, California; Past NALEO President

- Mr. John Fishbein, Senior Program Manager, Government Finance Officers Association
- Mr. Rick Cole, City Manager, City of Santa Monica, California

11:15 a.m. – 12:00 p.m.

Roundtable Discussions

Shoreline Room

These facilitated roundtable discussions will provide participants the opportunity to delve deeper and further discuss the content presented by the experts and from their respective roles as policymakers identify and discuss how they can engage in these issues and make sound fiscal decisions that benefit their communities beyond the life of their political terms.

12:00 p.m. – 1:00 p.m.

Luncheon Presentation: Census 2020 – Make it Count!

Newport Room

- Ms. Rosalind Gold, Senior Director of Policy, Research and Advocacy, NALEO Educational Fund

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Friday, May 18, 2018 (continued)

1:15 p.m. – 2:30 p.m.

Session II - Local Government Financial Reporting
Shoreline Room

Elected officials as fiduciaries are ultimately accountable for how taxpayer money and other funds are used. Therefore, policymakers must have a strong command of a jurisdiction's financial reports and provide the necessary leadership to ensure the right fiscal policies are developed and in place to guide every day decision making by staff. Government financial statements can be intimidating, but these reports, in contrast to budgets, present the revenue collected and amounts spent. They contain critical information that show the current financial state of a government, performance, and how taxpayer money is being spent. This session will provide participants with a deeper understanding of key terms, how to make sense of financial statements, and will equip participants with the knowledge needed to ask the right questions to engage in the oversight of their jurisdiction's financial affairs.

Chair: Hon. Paul Lopez, Councilmember,
City and County of Denver, Colorado;
Former Board Member, NALEO

- Mr. William C. Statler, Former Director of Finance and Information Technology; Former City Treasurer, City of San Luis Obispo, California

2:30 p.m. – 3:00 p.m.

Roundtable Discussions
Shoreline Room

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3:00 p.m. – 3:15 p.m.

Break

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3:15 p.m. – 4:45 p.m.

Session III - Financial Forecasting
Shoreline Room

Understanding financial statements is critical, however they are a picture of what has already occurred. The uncertainty of national, state, and regional economies, and other fiscal stresses, have increasingly required local governments to pay more attention to revenue trends. As a result, more local governments are engaging in financial forecasting, which provides clearer parameters for budget deliberations and planning to better prepare their jurisdictions for the future. This session will provide participants with a better understanding of how multi-year financial forecasting is an important tool for strong fiscal stewardship. The discussion will also explore how policymakers should consider the role new or disruptive technology will play in affecting future local government revenue streams on which they have come to rely.

Chair: Hon. Sarah Benatar, Treasurer, Coconino County, Arizona;
NALEO Board Member

- Mr. John Fishbein, Senior Program Manager, Government Finance Officers Association
- Mr. Mike Townsend, Deputy County Manager, Coconino County, Arizona

4:45 p.m. – 5:15 p.m.

Roundtable Strategy Discussion
Shoreline Room

These facilitated roundtable discussions will provide participants the opportunity to delve deeper and further discuss the content presented by the experts and from their respective roles as policymakers identify and discuss how they can engage in these issues and make sound fiscal decisions that benefit their communities beyond the life of their political terms.

5:30 p.m. – 7:00 p.m.

Opening Reception
Huntington Room

Host: Wells Fargo

Co-host: Peter G. Peterson Foundation

Opening Reception Supporters: Cabrera Capital Markets, LLC and Garcia Hamilton & Associates

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8:30 a.m. – 9:15 a.m.

Session IV: An Overview of the State of Fiscal Affairs and Pensions

A number of factors affect the current state of fiscal affairs for local and state governments. State and local pensions continue to attract a considerable amount of attention from policymakers at all levels of office. Large investment losses during the Great Recession and inadequate past contributions have left pension plans underfunded by possibly as much as \$5 trillion. Pension payments and health care costs account for a significant portion of total government spending, adding more stress to the fiscal pressures already facing local government. This session will provide participants with an overview of the current state of fiscal health for local government, pensions, and how these will affect short and long-term fiscal health.

Chair: Hon. Paul Lopez, Councilmember,
City and County of Denver, Colorado;
Former Board Member, NALEO

- Ms. Natalie R. Cohen, Managing Director,
Municipal Securities Research, Wells Fargo Securities, LLC

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9:15 a.m. – 10:30 a.m.

Session V: Latinos and Pension Fund Systems: Why does it Matter?

Shoreline Room

State pension fund systems make critical decisions on how their resources are invested and managed. At the moment, there are not enough opportunities for Latino owned firms and emerging managers, and as a result, there is a lack of investment into Latino communities through real estate and private equity. This session will feature how various industries across different states, including university systems, are looking to increase opportunities for pension fund allocations to Latino owned firms, who understand the importance of investing back in our communities. Participants will be equipped with tools for advocating for more Latinos to be appointed to pension fund boards, senior staff positions, and for creating more opportunities to allocate assets to emerging managers and diverse firms. Participants will deepen their understanding on why this should be an important issue for plan participants and the various stakeholders in the pension fund system.

Chair: Hon. Michele Martinez, Mayor Pro Tem, City Santa Ana, California; Past NALEO President

- Mr. Martin Cabrera, Jr., Founder and Chief Executive Officer, Cabrera Capital Markets, LLC
- Hon. Nilza Serrano, Commissioner, Los Angeles City Employees Retirement System (LACERS)
- Mr. Edgar Hernandez, Assistant Director, Strategic Initiatives Department, Service Employees International Union (SEIU)

10:30 a.m. – 11:45 a.m.

Roundtable Strategy Discussion

Shoreline Room

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Saturday, May 19, 2018 (Continued)

- 11:45 a.m. – 12:45 p.m. Networking Luncheon
 Newport Room
- 1:00 p.m. – 3:00 p.m. Session VI - Municipal Bonds
 Shoreline Room
Local governments are besieged by taxpayers' unlimited demands coupled with limited, and in many cases, shrinking tax revenues. However, one demand that is critical to a region's long-term economic competitiveness and vitality is its infrastructure. Cities and states sell municipal bonds when they need to raise money for infrastructure and other critical services. Without bonds to finance these projects in a timely way, these projects would come to a halt. This session will equip policymakers with the knowledge and tools to better engage and provide the right level of oversight as their jurisdictions issue bonds for projects. This discussion will also provide an overview of local government credit ratings and what they mean for borrowing money, and will highlight the immediate and long term impact the Tax Bill and proposed Infrastructure Plan will have on states and local governments' cost to finance critical infrastructure and services.
- Chair: Hon. Pauline Medrano, Treasurer, Dallas County, Texas;
NALEO President
- Mr. Charles Peck, Managing Director, West and Midwest Regions, Public Finance Wells Fargo Government and Institutional Banking, Wells Fargo
 - Ms. Lori Trevino, Analyst, Moody's Investors Service
 - Ms. Leslie Kassahn, Shareholder and Founder, Kassahn & Ortiz
- 3:00 p.m. – 4:00 p.m. Open Floor Discussion Strategy Wrap Up
 Shoreline Room
Participating policymakers will their share their fiscal policy accomplishments and challenges, what they have learned during the Policy Institute, and the policies and strategies they may now want to implement to enhance the fiscal strength of their jurisdictions.
- 4:00 p.m. – 4:05 p.m. Evaluations
 Shoreline Room
- 4:05 p.m. – 4:15 p.m. Closing Remarks
 Shoreline Room