



Supporting ACCESS

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Why Market Transparency is Not Always So Transparent and What To Do About It

by Dan Rodriguez, Sr. Vice President, ImageMaster, LLC

Since the fiscal melt down of 2008 and the creation of the Dodd Frank Act the demand for more compliance and transparency has sky rocketed. From MSRB's EMMA filings to annual continuing disclosure requirements, today's Muni market requires more effort and resources to keep up with this demand.

Let's look at continuing disclosure; part of the Borrower's/Issuers responsibility is to provide consistent and timely information by submitting updated financial documents to EMMA. The reality is that continuing disclosure filings, although improving, are not always filed. We see this happening with issuers that don't come to market very often and have a change of staff not aware of its bond issue requirements.

A proactive measure to avoid inconsistency is have an outside team in place that will monitor EMMA filing due dates to ensure that filings are done in a timely manner. Although hiring an outside team can be costly, there are resources that you can use free of charge. One of these is EMMA's email reminding system that can alert you when fiscal disclosures are due. You can learn about this system by going to the MSRB [website](#).

In addition, partnering up with a designated filing agent takes away the burden of knowing how to properly file your disclosure documents with EMMA. For example, ImageMaster provides complimentary annual EMMA filings for their clients.

Keeping investors updated on bond deals may require more than just EMMA filings. In some occasions doing online presentations are in order. Online presentations can be an effective tool to share current information via recorded audio and slides. The beauty of having a system like this is that your presentation is captured once allowing you to present your message in a very consistent manner. This avoids having to answer the same questions over and over when an investor calls. Since the presentation is posted online, you can direct them to a link or website.

The key to being transparent is to give investors multiple ways to access your information. With today's technology transparency can be achieved easier and more consistent than ever. All it takes is implementing the right plan while having the proper tools and systems in place. The easier your information is to find, the more transparency, consistency and continuity you have for your deals. ■

FUTURE NAHEFFA CONFERENCES

April 15-17, 2015
Alexandria, VA
[Hotel Monaco](#)

September 16-17, 2015
Seattle, WA
[Motif Hotel](#)

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NAHEFFA President's Message

by Michael J. Stanard, Executive Director
Missouri Health and Educational Facilities Authority



Mike Stanard
underway!

Hopefully your 2014 ended well and 2015 is off to a good start. Some of you probably are ready to put away the snow shovel. Others probably don't own one? It always is good to see spring training and March Madness

As we have every year recently our industry continues to monitor the tax-exempt bond climate. Threats from the usual market forces, potential interest rate volatility, regulatory and legislative pressures, overall tax reform, the trend toward taxable bonds, etc. all mean we must stay focused. For more information regarding the legislative and regulatory environment please see the "Washington Report" by Chuck Samuels on the next page in this newsletter. As always, please stay in touch with your Congressional delegation and keep them informed about the importance of tax-exempt bonds to the institutions in their communities.

NAHEFFA has worked for the last few years to expand membership opportunities and now is glad to welcome as a new member the Kansas Independent College Association. As an issuer for higher education institutions, I am confident they will bring valuable experience and perspective to NAHEFFA.

Hopefully we will meet representatives at the Spring Conference. NAHEFFA also would like to congratulate JoAnn Soker on her retirement from the Colorado Educational and Cultural Facilities Authority and thank her for her service to NAHEFFA over the years. I look forward to meeting Mr. Mark Heller the new Executive Director of CECFA.

Hopefully you are registered and planning to attend the Spring Conference in Alexandria, Virginia starting Tuesday evening April 14, 2015 and adjourning late morning on Friday, April 17, 2015. As always the Conference Committee has crafted an excellent agenda and list of speakers and presenters. The location is not only very historic and interesting but allows for Member visits to the Hill for advocacy purposes. Also note the Annual Corporate Meeting will be held in Alexandria. The Meeting will include the annual election and this year the four director positions on the NAHEFFA board are up for election to a two-year term. NAHEFFA committees always are looking for a few good members as well. Whether you are new to NAHEFFA and are interested in getting involved or a long time veteran seeking to reconnect as a member of the board or a committee, please contact Operations Director Nichole Doxey or me.

I hope to see you in Alexandria. ■

2015 SPRING CONFERENCE

April 15-17th

Come join us for informative panel sessions, networking opportunities and peer interaction and collaboration.

Hotel Monaco
Alexandria, Virginia

Visit the [Conference Website](#) for More Information and to Register!

WASHINGTON REPORT

by Charles A. Samuels, Mintz Levin
General Counsel, NAEFFA



Chuck Samuels

There are some pretty interesting and even a little bit frightening things going on in Washington so your upcoming visit at our spring conference is going to be very well-timed. We need your help folks outside the Beltway!

Yes, no one thinks there is much of a chance of tax reform in this Congress before the presidential election. But, we know that historically a Republican Congress and a Democratic White House have proven to be a surprisingly productive combination for doing major legislation, including tax legislation. Washington is returning to disputes or at least discussions over taxes and spending after a year hiatus. The threat is that even limited corporate tax reform, or a fix on transportation funding or dealing with the debt ceiling creates needs for revenue raisers and possible opportunities to limit or restrict tax exempt bonds, including private activity bonds which cover nonprofits along with other applications. Congressional testimony already has raised as a possible revenue raiser eliminating private activity bonds. It is likely that most of the proponents of this option have little or no idea what constitutes private activity bonds, including low-income housing, mass transit, wharves, docks, airports, nonprofits and other rapacious activities, but this doesn't stop some in Washington from pontificating.

So, we individually, collectively and in alliance with our allies need to get our message across. A lot of that activity is occurring. We are closely aligned with university and hospital interests, work closely with the

broader governmental tax-exempt bond alliance and a number of you are making strategic hits with your home state delegations. But, we need to do more and certainly when you're a few miles across the river it's a perfect time to visit Capitol Hill. I will be sending out materials for use, but in the meantime if you want to talk game plan and logistics for your visits please let me know. Even if you're not coming to Alexandria and you want to help on the legislative effort, please be in touch.

New House Ways and Means chairman Paul Ryan is taking advantage of his powerful position to develop the intellectual basis for broad tax reform even though he is realistic about its passage. We should not be surprised to see a white paper/ draft bill from him. The Senate Finance Committee is divided up in working groups, including infrastructure, which includes tax exempt bond, and will be issuing a report by the end of May. NAEFFA – in alliance with its hospital and university allies – will be submitting comments and we are encouraging individual authorities and borrowers to do the same.

In all your contacts, the point you need to make is how your financings provide an efficient and effective mechanism for charities to fulfill their mission. Secondly, but importantly, your financings create significant economic stimulus as demonstrated in our sector wide economic impact study, the individual state studies a number of you have done and the facts all of you have about individual financings. It's always better to get the nonprofit borrowers themselves to be part of the Congressional communication as they are the beneficiary of the tax

exemption, but certainly your direct, individual voices as authorities are important too.

We have not neglected our long time project on bank deductibility and we expect new legislation to liberalize the rules permanently to be introduced soon. We're working closely with GFOA, BDA, the IBA, AHA and NACUBO.

In other news – and there is always other news – the SEC will start reporting results from its so-called continuing disclosure cooperation initiative in terms of settlement agreements with dealers and eventually issuers/borrowers. This project promoting self-reporting by dealers and issuers/borrowers where commitments in continuing disclosure agreements in the past have not been completely satisfied has, in my opinion, elements of value and merit and elements of pure waste and farce. Since the SEC refuses to state what is a material default in disclosure we are pretty sure that many petty and trivial failures to meet reporting dates and similar defaults are part of the submissions to the SEC. What the public policy purpose will be of entering into settlement agreements/ consent decrees with firms and issuers/ borrowers for the latter items is unclear. Will it improve overall disclosure going forward or leave people with the feeling of being arbitrarily handled by the government? Some of both I think. For sure the SEC will tout this as a tremendous success and the reason why the law should be changed to allow direct jurisdiction over issuers.

There's still a lot of fussing between bankers and financial advisors over

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Executive Director of the Connecticut Authority set to Retire at the End of June

The Connecticut Health and Educational Facilities Authority (CHEFA) will say goodbye to Jeffrey Asher at the end of June. Mr. Asher started his tenure at CHEFA in 1989 and has been serving as Executive Director since 2009. In his role as Managing Director/Chief Financial Officer at CHEFA, Mr. Asher served as a member of the Board of Directors, Treasurer and Vice President of the National Council of Healthcare Facilities Finance Authorities, one of the associations that merged to create NAHEFFA.

NAHEFFA wishes Jeff all the best in his future endeavors.

Colorado Educational and Cultural Facilities Authority Says Goodbye to Jo Ann Soker and Welcomes Mark Heller as New Executive Director

Jo Ann Soker is retiring from the Colorado Educational and Cultural Facilities Authority (CECFA) after enjoying a ten-year tenure as the Executive Director. During her tenure, CECFA issued over \$5.5 billion in tax-exempt bonds for nonprofit organizations in Colorado and other states. Ms. Soker's previous experience includes service as Executive Director of the Colorado Department of Personnel (a member of Governor Romer's cabinet), Executive Vice President for Administration in charge of real estate and non-academic services for the Auraria Higher Education Center in Denver; and Chief Operating Officer of Rocky Mountain Mutual Housing Association.

CECFA welcomed Mark Heller as the new Executive Director upon Ms. Soker's retirement. Mark served as the Executive Director of the Golden Urban Renewal Authority from 2004 to 2014, leading GURA's transformation of downtown Golden through strategic investments of public and private funding, including tax increment financing. Mark is an attorney and urban planner, and previously practiced law in Crested Butte, including serving as counsel to the Crested Butte Wildflower Festival and the Crested Butte Music Festival, among other clients. His undergraduate and law degrees are both from the University of Texas at Austin, and he earned a Masters in Urban and Regional Planning from the University of Colorado at Denver.

NAHEFFA wishes Jo Ann all the best in her future endeavors and warmly welcomes Mark to our membership.

Election of Directors at the Spring Conference

The Annual Meeting of the Corporation will be held at the Spring Conference in Alexandria, VA. At the Annual Meeting, the NAHEFFA membership will be electing four directors of the Board to serve for a two-year term. Directors shall be individuals from the staff or board of directors of a Member of the Corporation. If you are interested in serving on the Board of Directors, please contact Julie Arvo Mackenzie, Chair of the Governance Committee at jarvomac@azhfa.com before March 26th.

Washington Report, continued from page 3

the application of the municipal advisor rules, the sum total of which have not been finalized by the MSRB and a number of issues are still not entirely clear. Nonetheless, there is a sense that although there has been some constriction and awkwardness in normal underwriter - advisor - issuer - borrower communications that the MA rule is not the cause of severe dysfunction. Please attend the MSRB presentation at our spring meeting which will be one place where this issue will be discussed.

Finally, the IRS announced that in 2015 nonprofit bonds are a special area of focus. Hooray. So, we have the head of the IRS tax exempt bond office speaking to us in Alexandria about her interests and concerns; you don't want to miss that.

Please stay in touch and see you soon. ■

GREETINGS FROM THE NAHEFFA SPONSORSHIP COMMITTEE

Don't miss this extraordinary opportunity NAHEFFA is offering, to network with key individuals in your market at our 2015 conferences noted below:

- 2015 Spring Conference, April 15-17th at the Hotel Monaco in Alexandria, VA
- 2015 Fall Conference, September 16-17th at the Motif Hotel in Seattle, WA

Build stronger relationships and reach key decision-makers in the industry by becoming a 2015 NAHEFFA annual sponsor. Sponsorship can increase your organization's exposure and heighten your brand recognition. NAHEFFA conferences are attended widely by NAHEFFA Members including authority board members and staff. These conferences also provide an opportunity to increase your awareness of issues and concerns in the industry.

The Spring Conference in Old Town Alexandria, Virginia is a short Metro ride away from Washington D.C. but nestled on the historic Potomac River. The Fall Conference in Seattle, WA will be both educational and entertaining and the views from this coastal seaport city will prove to be amazing.

If you have not already done so, please contact Donna Murr at donnam@whcfa.wa.gov or Nichole Doxey at ndokey@naheffa.com to get your spot in the NAHEFFA 2015 Sponsorship Program.

Best regards,

2015 Sponsorship Committee Members

Donna A. Murr | Washington Health Care Facilities Authority | NAHEFFA Sponsorship Committee Chair

Nichole Doxey | Operations Director, NAHEFFA

Paul Edwards | Washington Higher Education Facilities Authority

Shannon Govia | Washington Health Care Facilities Authority

Harry Huntley | South Carolina Jobs-Economic Development Authority

Carol Johnson | Washington Higher Education Facilities Authority

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NAHEFFA Contacts

Nichole Doxey

Operations Director, NAHEFFA

P.O. Box 906

Oakhurst, NJ 07755

(888) 414-5713 p&f

ndokey@naheffa.com

Charles Samuels

Member, Mintz Levin

701 Pennsylvania Ave NW, #900

Washington, DC 20004

(202) 434-7311 p | (202) 434-7400 f

CASamuels@mintz.com

