

MUNICIPAL MARKET DISCLOSURE

February 7, 2018

Doubletree by Hilton Fresno Convention Center
2233 Ventura Street
Fresno, California

AGENDA

Both the Securities and Exchange Commission (SEC) and the Government Accountability Office noted in their evaluations of the municipal market the need to improve market transparency through better disclosure. Improving the practice of municipal securities market disclosure is an ongoing process, strengthened by annual staff training. This CDIAC seminar will focus on the SEC rules and regulations, the current changes to those rules, and proposed reforms for primary and secondary disclosure practices by public agencies. This program is open to all interested parties.

8:00 AM **Registration**
Complimentary continental breakfast

8:30 AM **Welcome and Opening Remarks**
Mark Campbell, Executive Director, CDIAC

SESSION ONE

8:40 AM **Overview of Applicable Federal Laws and Securities and Exchange Commission Rules Governing Disclosure**

This session will cover the rules and regulations of municipal disclosure, highlighting changes resulting from recent reforms. The speaker will describe how municipal issuers must address their disclosure obligations through a thorough review of their offering documents, including those related to:

- Section 17(a) of the Securities Act of 1933
- SEC Rule 10b-5
- SEC Rule 15c2-12
- SEC enforcement powers
- SEC releases and reports

Victor Hsu, Partner, Norton Rose Fulbright US LLP

SESSION TWO

9:40 AM Steps and Considerations in Crafting the Initial Disclosure Documents

This session will focus on good policies, processes and practices for initial disclosure documents. It will provide information on crafting the preliminary official statement, the initial disclosure document used to communicate to market participants and investors when bringing a public offering of municipal securities. Presenters will also discuss the sources of information and data used to ensure accuracy and completeness so statements made to the market are not misleading.

Jonathan Ash, Director, Municipal Securities Division, Citigroup Global Markets
Kevin Beltz, Program Manager – Debt and Treasury, City of Stockton
Cyrus Torabi, Shareholder, Stradling Yocca Carlson & Rauth, P.C.

10:40 AM Break

SESSION THREE

10:55 AM Continuing Disclosure, Part 1 – Ongoing Communication with the Market

This session will focus on good policies and practices for secondary disclosure reporting. SEC Rule 15c2-12 requires the underwriter of an issue of municipal securities to obtain a commitment (also known as an “undertaking”) by the issuer of the securities to provide ongoing disclosure. This session will also provide a formal explanation of the continuing disclosure undertaking, which is executed by the issuer and/or obligor of the securities at closing. The panel will discuss how issuer practices can be improved through a commitment to the continuing disclosure undertaking, a review of documents, and the use of disclosure consultants and/or dissemination agents, new technologies, or voluntary reporting using EMMA.

*Dave Davies, Senior Project Manager, Federal Compliance Group, Willdan
Financial Services*
Lakshmi Kommi, Director of Debt Management, City of San Diego

12:15 PM Luncheon for All Participants and Speakers

SESSION FOUR

1:15 PM Continuing Disclosure, Part 2 – Internal Roles and Responsibilities

Proper disclosure requires the issuer to determine what information is material to an investor and what must be reported on a regular basis. During this session, public agency representatives share how they handle their ongoing disclosure responsibilities, including the role of each participant in the continuing disclosure process.

Blake Boehm, Principal/Director, KNN Public Finance, LLC
Larry Lom, Assistant Vice President, KNN Public Finance, LLC
Venus Rodriguez, Finance Officer, City of Merced

2:30 PM Break

SESSION FIVE

2:45 PM Private Placements and Direct Loans – Possible New Obligations under SEC Rule 15c2-12

The use of private placements and direct loans by local agencies as an alternative to publicly-offered municipal securities has increased both nationwide and in California in recent years. In response to concerns about the lack of transparency in secondary market disclosure, the SEC has proposed changes to Rule 15c2-12 to include, among other things, an expanded definition of “financial obligation.” This session will address the types of financial obligations and additional reportable events required under the proposed amendment and the potential implications for issuers. The presenters will also discuss why the disclosure of private placements and direct loans and their associated material terms and covenants is considered key to assessing an issuer’s true financial position for investors and lenders alike.

Jeff Land, Vice President, Brandis Tallman LLC
James A. Wawrzyniak, Jr., Shareholder, Jones Hall

4:00 PM Close of Seminar