

CDIAC

**CALIFORNIA
DEBT AND
INVESTMENT
ADVISORY
COMMISSION**

STEPS FOR REPORTING DEBT ISSUANCE TO CDIAC: REPORT OF PROPOSED DEBT ISSUANCE (RPDI) & REPORT OF FINAL SALE (RFS)

WILL BEGIN SOON

Upcoming CDIAC Events

MARCH 17-19, 2015
Municipal Debt Essentials
Riverside, CA
Registration Opening Soon

DATE AND LOCATION TO BE ANNOUNCED
Land-secured Financing Current Topics and Practices
Additional information will be available online
Registration To Be Opened

For more information visit www.treasurer.ca.gov/cdiac/seminars.asp

December 10, 2014

10:00 AM – 11:15 AM

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- For technical issues, contact GoToWebinar (GoToMeeting) at 1-800-263-6317 or <http://support.citrixonline.com/gotomeeting/>
- Presentation slides are available to download at <http://www.treasurer.ca.gov/cdiac/webinars/2014/20141210/description.asp>
- Live captioning is available at www.streamtext.net/text.aspx?event=CDIAC

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Joyce Ward
Manager
Technical Assistance Section
CDIAC

Why CDIAC Collects Issuance Data

- ❖ Our Statute mandates that CDIAC:
 - ✓ Collect, maintain and provide “comprehensive” information on all state and local debt authorization and issuance.
 - ✓ Serve as a statistical clearing house for all state and local debt issues.
- ❖ Research Unit – analyzes data for issue briefs and research papers.
- ❖ Education Unit – uses data to determine issuance trends and assist in determining where and what training is needed.

Who Uses CDIAC Data?

- ❖ CDIAC's data is used by public finance officials, public policy makers, members of the public and academics to:
 - ✓ Research historical and emerging trends in municipal debt issuance
 - ✓ Understand the costs involved in a financing
 - ✓ Plan their financings
 - ✓ Compare charges & fees of similar financings
 - ✓ Help determine the economic benefits of the financing
 - ✓ Initiate public policy debate and discussion

Why Data Requested Has Changed

- ❖ In response to legislative changes
- ❖ In response to changes in the muni market
- ❖ To ensure the quality and reliability of our data
- ❖ To ensure transparency in the California municipal market
- ❖ As a benefit and value to our customers & stakeholders
- ❖ As a means of tracking certain issuance trends or conditions

Statutes Governing Submittal

Code Type	Code Section/ Paragraph	Who is Mandated	What is Mandated/What Must be Reported	Timeframe	How we collect
Education Code - Bonds of School Districts or Community College Districts	15146(e)	School District Governing Boards	All necessary information and reports regarding the sale or planned sale of bonds by school districts it governs	30 days prior to the sale or 45 days after the signing of the bond purchase contract in a negotiated or private financing or after the acceptance of bid in an competitive offering	Report of Proposed Debt Issuance and Report of Final Sale
Education Code - Bonds of School Districts or Community College Districts	15146(d)(2)	School District Governing Boards	Detailed cost of issuance data for school districts	None specified/45 days using Govt Sec 8855 (j)	Report of Final Sale - Costs and Fees
Gouvernement Code - Public Finance Contracts	5922(b)	State and Local Governments	Intent to issue bonds payable in a currency other than lawful money of the United States of America	30 days prior to issue	Report of Proposed Debt Issuance
Government Code - JPA - Power to Issue Revenue Bonds	6548.5	Local Agency	Disclose the level of fees or charges imposed by, or on behalf of, an agency or entity for the issuance of bonds pursuant to this article.	45 days after the signing of the bond purchase contract in a negotiated or private financing or after the acceptance of bid in an competitive offering	Report of Final Sale - Costs and Fees
Government Code - Local Bond Pooling	6599.1(a)	Legislative body - governing body of a local agency (party to the agreement creating the authority, or agency or subdivision of that party, sponsoring a project of public capital improvements, or any city, county, city and county, authority, district, or public corporation of this state)	Written notice of proposed sale	No later than 30 days prior to the sale of bonds	Report of Proposed Debt Issuance
Government Code - Local Bond Pooling	6588.7(e)(2)	Joint Powers Authority	Statement that rate reduction bonds are being issued pursuant to Section 6588.7 and source of repayment is from utility project charges	30 days prior to sale	Report of Proposed Debt Issuance

Statutes Governing Submittal

Code Type	Code Section/ Paragraph	Who is Mandated	What is Mandated/What Must be Reported	Timeframe	How we collect
Government Code - Local Bond Pooling	6588.7(e)(2)	Joint Powers Authority	Savings realized by issuing rate reduction bonds pursuant to Section 6588.7	45 days after the signing of the bond purchase contract in a negotiated or private financing or after the acceptance of bid in an competitive offering	Report of Final Sale
Government Code - CDIAC	8855(h)(3)	CDIAC	Collect, maintain and provide comprehensive information on all state and local debt authorization and issuance	N/A	Report of Proposed Debt Issuance and Report of Final Sale
Government Code - CDIAC	8855(i)	State and Local Government Issuers of new debt	Report of Proposed Debt Issuance	30 days prior to the sale	Report of Proposed Debt Issuance
Government Code - CDIAC	8855(j)	State and local government Issuers of new debt	Report of Final Sale and accompanying official statement or alternate documents	45 days after the signing of the bond purchase contract in a negotiated or private financing or after the acceptance of bid in an competitive offering	Report of Final Sale
Government Code - Mello-Roos Community Facilities Act of 1982	53359.5(a)	Legislative body - Community Facilities District	Written notice of proposed sale	30 days prior to the sale of any bonds	Report of Proposed Debt Issuance
Government Code - Bonds - General Obligation Bonds	53509.5(b)	City, County, City and County, School District, Community College District or Special District	Issuance costs of bonds or refunding bonds secured by ad valorem taxes (GO Bonds)	None specified/45 days using Govt Sec 8855 (j)	Report of Final Sale - Costs and Fees
Government Code - Bonds - Provisions Applicable to All Refunding Bonds of All Local Agencies	53583(c)(2)(B)	Public District, Public Corporation, Authority, Agency, Board, Commission, County, City and County, City, School District, or other public entity or any improvement district or zone	Refunding bonds sold at private sale or on a negotiated basis	Two weeks after the bonds are sold	Section on Report of Final Sale
Government Code - Revenue Bond Law	54418	Cities, Counties, and other Agencies	Decision to sell bonds at a private sale	2 weeks after the sale of the bonds	Section on Report of Final Sale
Water Code -Irrigation Districts - General Provision	20560.2	Irrigation Districts	Notice of proposed sale of any evidence of indebtedness issued to provide financing of any works of the district. Failure to give notice shall render the sale invalid. CDIAC may waive the 30 day notice period upon application by the district.	30 days prior to the proposed sale date.	Report of Proposed Debt Issuance

Report of Proposed Debt Issuance (RPDI)

- ❖ Government Code Section 8855(i) – 30 Days prior to issuance
- ❖ Amended by AB 2274 – Signed into law July 2014 – Effective January 1, 2015
 - A. Removed reference to “private or public sale”
 - B. RPDI now required for any “debt issue” of state or local government
 - C. Amended method of submittal to “any method approved by the commission”
 - D. Added - CDIAC may require information to be submitted that it considers appropriate

RPDI continued

❖ Recent Updates to Report:

- A. Filing Contact – Borrower Counsel (Loan) – Used for counsel providing the legal opinion as to the validity of the issue when the debt instrument is a loan - **NOT for the counsel representing the borrower in a conduit financing.**
- B. Type of Debt Instrument
 - 1. Loan from bank/other institution
 - 2. Pension Obligation Bonds
 - 3. Rate Reduction Bonds – Gov't Code Section 6588.7(e)(2) – effective 1/1/2014
- C. Source of Repayment – Utility Project Charges – Gov't Code Section 6588.7(e)(2) – effective 1/1/2014

RPDI continued

❖ Recent Updates :

A. Purposes of Financing

1. Medical Research/Institute
2. Theatre/Arts/Museums
3. Human Resources
4. Commercial Energy Conservation/Improvement (PACE)
5. Residential Energy Conservation/Improvement (PACE)

Report of Final Sale (RFS)

- ❖ Government Code Section 8855(j) – Currently - 45 days after the signing of the bond purchase agreement or acceptance of a bid
- ❖ Amended by AB 2274 – Signed into law July 2014 – Effective January 1, 2015
 - A. Changed reporting period from “45” days to “21” days
 - B. Removed reference to “signing of bond purchase agreement or acceptance of a bid” and replaced it with “after the sale of the debt”
 - C. Amended method of submittal to “any method approved by the commission”

RFS continued

- ❖ An official statement, if prepared, must be submitted with RFS
- ❖ If no official statement, each of the following must be provided, if they exist*:
 - A. Other disclosure document
 - B. Indenture
 - C. Installment Sales Agreement
 - D. Loan Agreement
 - E. Promissory Note
 - F. Bond Purchase Contract
 - G. Resolution Authorizing the Issue
 - H. Bond Specimen
- ❖ CDIAC may require information that it considers appropriate

*Issuer may redact confidential information contained in the documents if the redacted information is not information that is otherwise required to be reported to the Commission.

RFS continued

❖ Recent Updates to the Report:

- A. Issuance authorization for **All** public debt
- B. Filing Contact/Financing Participant – Borrower Counsel (Loan) – Used for counsel providing the legal opinion as to the validity of the issue when the debt instrument is a loan - **NOT for the counsel representing the borrower in a conduit financing.**
- C. “Other” Interest Rate Type
- D. Rate Reduction Savings – Govt Code Section 6588.7 – Effective 1/1/2014

Report Submittal

- ❖ Electronic submission preferred

CDIAC Number and Password required to submit RFS electronically

- ❖ Mail-in submission available

- ❖ Access to both versions of each report on CDIAC's Website

<http://www.treasurer.ca.gov/cdiac/reporting.asp>

Contact Information

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THANK YOU FOR PARTICIPATING

The recorded webinar and transcript will be available on
CDIAC's education website in the near future.

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MARCH 17-19, 2015
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