



## AGENDA ITEM 3 (INFORMATION ITEM)

### EXECUTIVE DIRECTOR'S REPORT

#### JUNE 25, 2025

#### FISCAL 2025–26 BUDGET PROPOSAL

CDIAC's proposed budget for the fiscal year (FY) 2025–26 is \$4,469,000, a 3.3% increase from FY 2024–25 total expenditure authority inclusive of mid-year adjustments. The total budget authority includes \$4,289,000 in baseline expenditure authority and \$180,000 in reimbursed expenditure authority. CDIAC's baseline budget authority was increased as the result of a Treasurer's Office initiated budget change proposal for costs associated with information technology services provided by the Treasurer's Office that are additional to the services provided in CDIAC's administrative services contract. For FY 2025–26, CDIAC's reimbursement authority remains unchanged. CDIAC receives reimbursements from the fees it charges to attendees of CDIAC's in-person educational programs.

In FY 2025–26, CDIAC is authorized for 21 full-time staff.<sup>1</sup> The following chart provides a three-year overview of CDIAC's enacted and proposed budget.

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<sup>1</sup> In FY 2024–25 State Budget, CDIAC was authorized for 21 positions. All vacant positions were exempted from mid-year position cuts.

## CDIAC BUDGET APPROPRIATION WITH ADJUSTMENTS (THOUSAND \$)

	FY 2023–24 ENACTED	FY 2024–25 ENACTED	FY 2025–26 PROPOSED
Authorized Positions	21	21	21
Personal Services	\$2,780	\$2,908	\$2,899
Operating Expenses & Equipment	1,435	1,435	1,570
BUDGET ACT APPROPRIATION <sup>A</sup>	4,215	4,343	4,469
Mid-year Adjustments <sup>B</sup>	108	-18	
GRAND TOTAL	\$4,323	\$4,325	\$4,469

<sup>A</sup> Includes \$180,000 appropriation authority for reimbursements.

<sup>B</sup> MID-YEAR ADJUSTMENTS (THOUSANDS \$)

	FY 2023–24	FY 2024–25
Pension Contributions	\$0	\$0
Compensation Reduction	0	0
Employee Benefits	42	30
Salary Adjustments	73	54
Other Post-Employment Benefits	-7	0
Section 4.05 Ongoing Expenditure Reductions	0	0
Retirement Rate Adjustments	0	-102
TOTAL	\$108	\$-18

## CDIAC FUND CONDITION

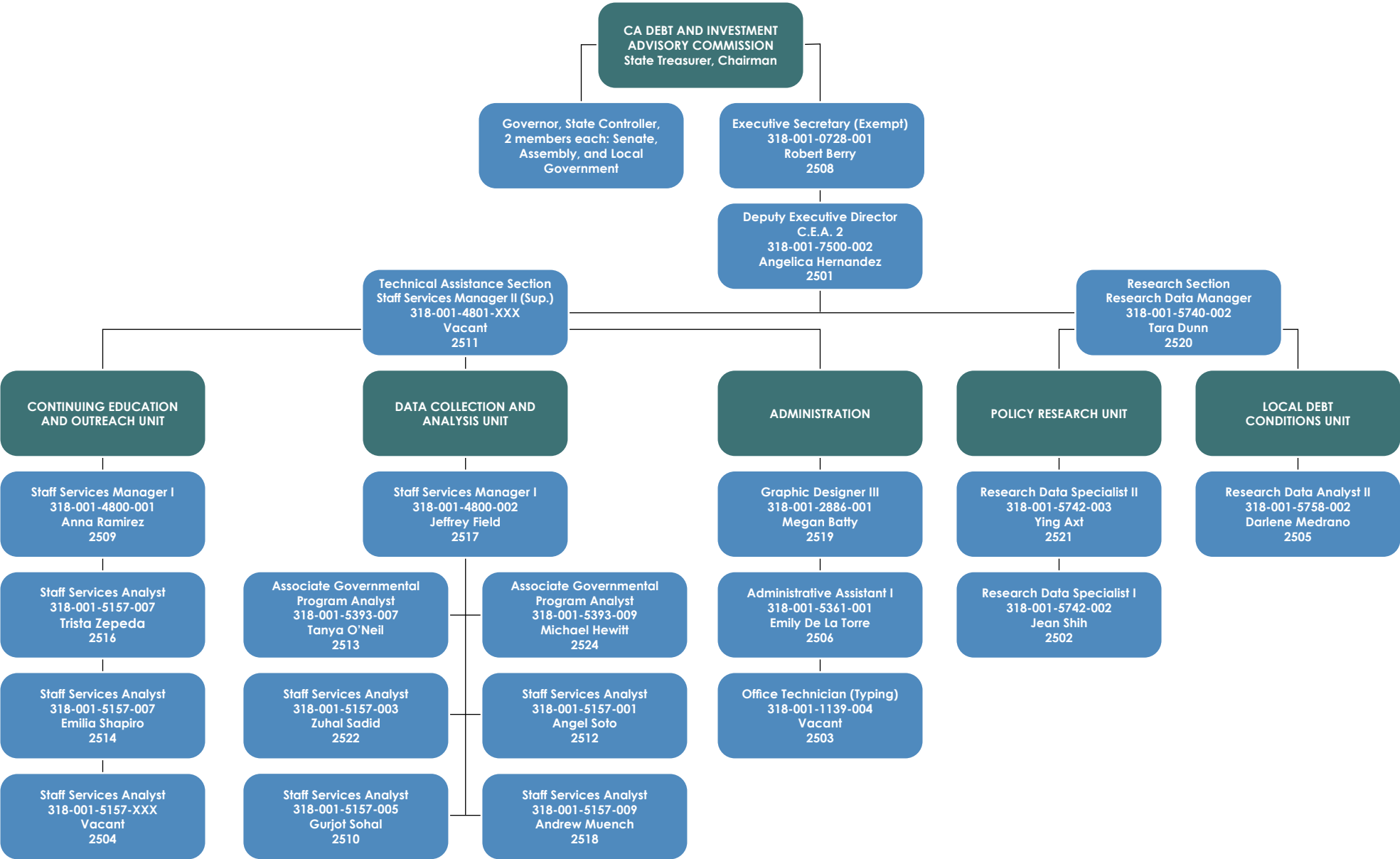
### Fee Revenue

Last year, CDIAC projected FY 2024–25 issuance fee revenue to be near FY 2023–24 levels, given the challenges in predicting the timing of an interest rate decline which would affect issuance frequency and volume. The uncertainty related to federal policies affecting the municipal markets that loomed pre-election and the policy ambiguity that emerged after the President’s term began caused many California public agencies to advance their financings into the fiscal year attempting to take advantage of what was perceived as a relative “calm before the storm.” Despite relatively higher interest rates, issuance activity was strong in FY 2024–25. Based upon eight months of actual revenues as well as billings for March, April, May, and June 2025, CDIAC’s FY 2024–25 fee revenue is expected to be approximately \$3.544 million, an increase of nearly 22% over FY 2023–24 fee revenue.

CDIAC fee projections are typically based on municipal issuance projections by market participants. There continue to be signs nationally that debt issuance may continue to remain strong in FY 2025–26, including an 8.4% increase in March issuance activity year-over-year and 3.1%

CDIAC Organization Chart

CURRENT AS OF 05/12/2025



increase month-over-month.<sup>2</sup> Given the uncertainty in the tax-exempt market and the potential for an issuance trough following the surge from late 2024 to early 2025, CDIAC is projecting no growth in issuance fee revenue in FY 2025–26.

## Expenditures

Total expenditures for FY 2024–25 are estimated to be \$3.725 million, approximately 20% lower than CDIAC statutory budget authority plus adjustments.<sup>3</sup> Expenditures include personnel costs; operations and equipment expenses; rent; STO administrative contract, and adjustments.

CDIAC continued its efforts to control discretionary expenditures in FY 2024–25 by focusing on cost-saving measures and one-time investments that enhance long-term operational efficiency and further our statutory mission. However, discretionary spending represents only 7% of expected FY 2024–25 expenditures.

Personnel costs continue to be CDIAC's largest expenditure, representing nearly 69% of all budgeted expenditures in FY 2024–25. Given the relative lack of spending discretion with personnel costs, CDIAC practices strategic vacancy management. This strategy involves reviewing the impact vacancies have on the organization and selecting those with the highest net benefit to the organization to refill. Through this process CDIAC can course correct during and across fiscal years if expenditures run far ahead of revenues and begin to deeply erode CDIAC's fund balance. During FY 2024–25, CDIAC lost team members to retirement, out-of-state relocation, and promotions outside CDIAC. CDIAC will end the fiscal year with three vacant positions.

In FY 2025–26, personnel costs will grow due to negotiated salary increases of 3%. Operational expenditures are expected to increase due to ongoing maintenance and enhancement that is necessary to protect the value and performance of CDIAC's modernized database systems, and general operational cost inflation. Overall, total expenditures, inclusive of adjustments, are projected to grow by 4% in FY 2025–26.

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<sup>2</sup> Katie Kolchin, CFA and Justyna Romulus, *Quarterly Report: US Fixed Income 1Q25*, 18, (New York: Securities Industry and Financial Markets Association, April 2025), Accessed April 16, 2025, [www.sifma.org/wp-content/uploads/2025/01/SIFMA-Research-Quarterly-Fixed-Income-IT-1Q25.pdf](https://www.sifma.org/wp-content/uploads/2025/01/SIFMA-Research-Quarterly-Fixed-Income-IT-1Q25.pdf).

<sup>3</sup> "Adjustments" include pro rata charges which are statewide general administrative expenses assessed to every state program, and supplemental pension payments. CDIAC has no discretion over adjustments, and they are not a component of statutory budget authority.

## Fund Balance

CDIAC expects to see growth (1.5%) in its year-end fund balance for FY 2024–25, as revenues exceeded expectations and expenditures. While revenues were stronger than expected, CDIAC’s expenditures are largely fixed, with 93% of state operations expenditures attributed to personnel, rent, and State Treasurer’s Office (STO) administration costs (personnel, business services, legal, and IT services).<sup>4</sup> It is expected that the fund balance at the end of FY 2025–26 will experience a 2% decline as total expenditures are expected to exceed projected total revenues. CDIAC will adjust discretionary expenditures and continue to practice strategic vacancy management to mitigate for the negative impacts on fund balance of revenues coming in significantly below projections.

### CDIAC FUND CONDITION (THOUSAND \$)

	FY 2023–24 ACTUAL	FY 2024–25 ESTIMATED <sup>5</sup>	FY 2025–26 PROJECTED <sup>6</sup>
RESERVES, ADJUSTED	\$6,400	\$5,829	\$5,914
REVENUE			
Fees	\$2,657	\$3,544	\$3,500
Interest	225	200	200
Reimbursements, Misc.	31	66	50
TOTAL REVENUES	\$2,913	\$3,810	\$3,750
EXPENDITURES			
State Operations	\$3,153	\$3,372	\$3,480
Adjustments (Prorata, Pension Payment)	\$331	\$353	\$390
TOTAL EXPENDITURES	\$3,484	\$3,725	\$3,870
NET INCOME	\$(571)	\$85	\$(120)
FUND BALANCE	\$5,829	\$5,914	\$5,794

<sup>4</sup> This calculation does not include adjustments.

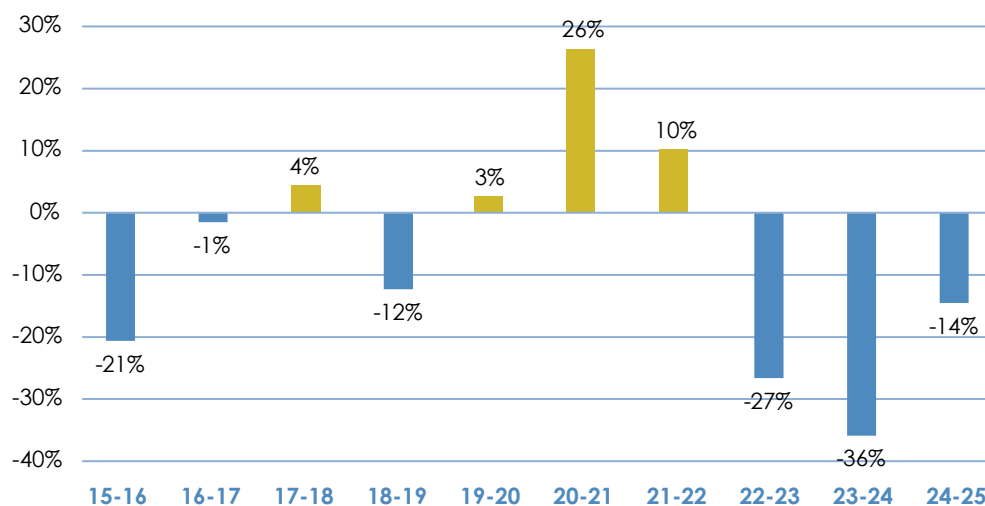
<sup>5</sup> FY 2024–25 fee revenue estimates are based on receipts and receivables through February 28, 2025, and invoice estimates for March through June. Operations expenditures are based on internal fiscal year budgeting. Operations expenditures are projected to be under the baseline budget authority (total authority less reimbursements).

<sup>6</sup> FY 2025–26 issuance fee revenue projections were based on market conditions remaining consistent with FY 2024–25.

## STRUCTURAL IMBALANCE

CDIAC has been experiencing a structural imbalance for more than ten years. This is not a structural imbalance created by year over year deficit spending, but an imbalance between statutory budget authority and revenues. CDIAC's adjusted statutory budget authority, an amount based upon a zero-vacancy assumption and adjusted for reimbursement authority, has been higher than CDIAC's fee revenues six out of the last ten fiscal years.

### CDIAC ISSUANCE FEE REVENUE IN RELATION TO ADJUSTED BUDGET AUTHORITY

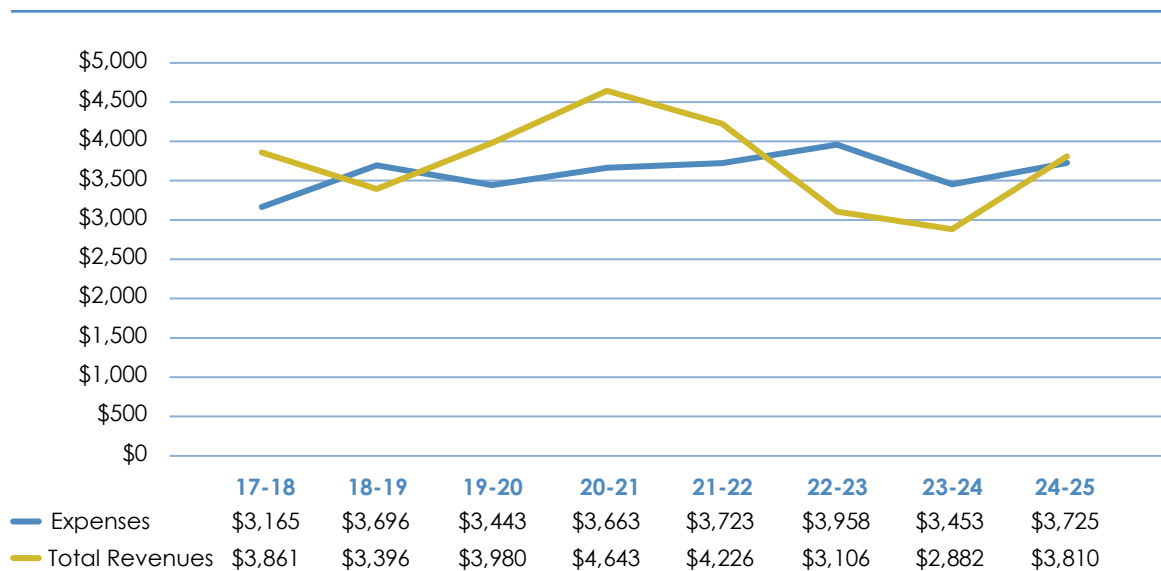


Over the last ten years, the adjusted budget authority has exceeded issuance fee revenue by over 7%. The imbalance has grown to more than 9% over the last five years and to nearly 26% over the last three years. If CDIAC had spent up to the level of its budgeted authority over the three years, CDIAC's fund balance would be approximately \$3.2 million lower than it is currently.

### Expense Management Strategy

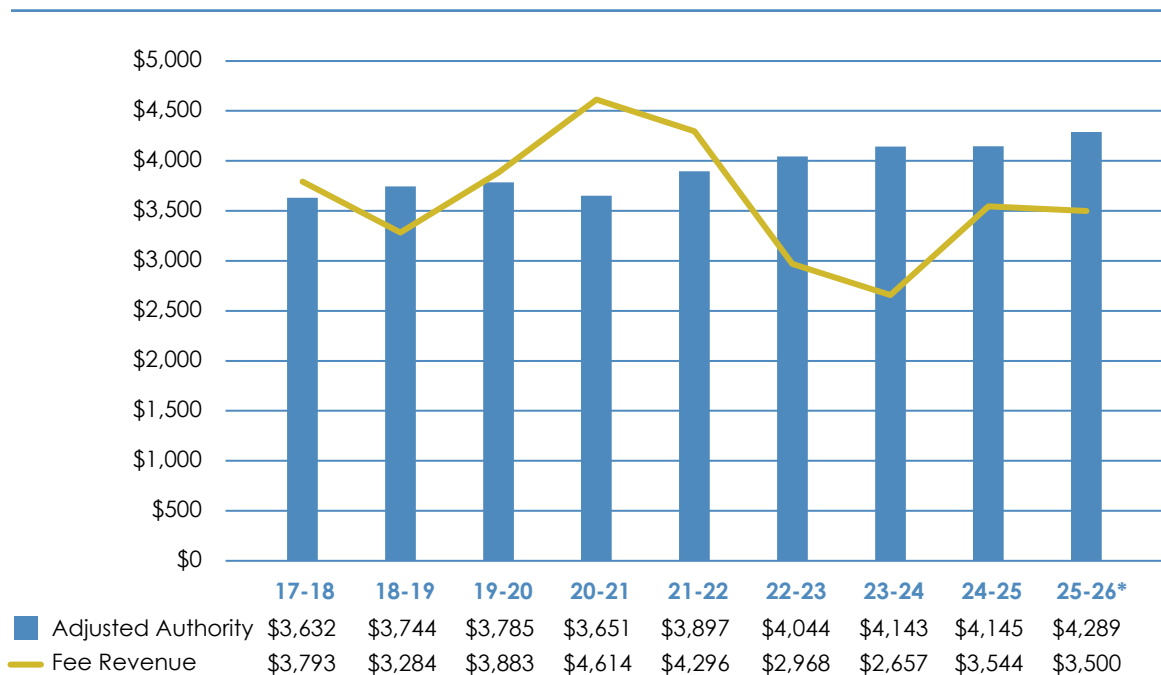
CDIAC has projected a healthy \$5.9 million fund balance for FY 2024–25. This has been achieved through an issuance fee increase up to the statutory maximum in the 2017–18 fiscal year, by investing in projects that increase efficiency and reduce on-going expenses, and by engaging in strategic vacancy management, as previously discussed. CDIAC has been actively managing expenses to stay within revenue projections. These measures have resulted in expenses below total revenues by an average of \$135,000 per year since FY 2017–18.

### CDIAC TOTAL REVENUES AND EXPENSES (THOUSAND \$)



Based on the growth in adjusted budget authority versus issuance fee revenue, a shift in strategy from managing expenses to stay within range of projected revenues to one that is designed to spend up to CDIAC's statutory budget authority would require an increase in issuance fee revenue in a range of 10% to 20%. A revenue increase at the higher end of the range will be warranted if the more recent revenue trend is predictive of the future.

### CDIAC ADJUSTED BUDGET AUTHORITY AND FEE REVENUE (THOUSAND \$)



\* Projected

## Issuance Fee Considerations

CDIAC's issuance fee is established in Government Code section 8856 as 2.5 basis points (0.025%) of the principal amount of each issue up to a maximum of \$5,000 (\$20,000,000 max. principal). California Code of Regulations, Title 4, section 6030 provides exceptions to the issuance fee for Marks-Roos obligors, short-term issues, and loans from the state or federal government. The issuance fee is to be paid by the lead underwriter, purchaser, or lender, but it has become standard that the fee is withheld from the proceeds of the issue as an expense. To generate issuance fee revenue approaching budget authority, legislation would be required to increase the basis point charge per issue or the maximum fee, or both.

CDIAC reviewed issuance data for the last two complete fiscal years (2022–23 and 2023–24) to understand the effects and implications of an issuance fee increase. The levels of issuance during the fiscal years reviewed were lower in frequency and volume, but the profile of issuance is proportionally comparable to prior fiscal years with higher frequency and volume.

ISSUANCE FEE STATISTICS	2022 – 2023	2023 – 2024
Median Issuance Principal	\$15,000,000	\$14,100,000
Median Fee	\$3,750	\$3,503
Average Fee	\$3,114	\$3,019
Percentage of Issues at Max. Fee	43%	44%

ISSUER TYPE	PERCENTAGE OF TWO-YEAR REVENUE
JPA & Marks-Roos Authorities	31.6%
K-12 School Districts	27.1%
Cities, Counties, Successor Agencies	11.9%
State, Departments, Instrms., UC/CSU	11.5%
Mello-Roos CFDs	6.6%
Special Districts	5.7%
Community College Districts	3.7%
Housing Agencies	1.9%

Various rate scenarios based upon the current statutory structure of CDIAC's fee (rate x maximum fee) were modeled against the issuance data from the two prior fiscal years. The chart below illustrates the rate and maximum fee combinations that achieve the 10% to 20% targeted revenue increase (yellow shading). The percentages in blue indicate a combination that increases the maximum principal amount upon which the



fee could be applied above its current \$20,000,000 level. These combinations will shift the burden of the increase to larger issues made by the state and its entities, cities and counties, and community college districts. The combination in orange maintains the \$20,000,000 issue maximum and the current share of revenue burden among the issuer types. The remaining combinations increase the proportional burden of the increase to those issues closer to the median principal amount which are generally issued by Mello-Roos CFDs, JPAs and Marks-Roos authorities, and K-12 school districts.

#### RATE SCENARIOS

		MAXIMUM FEE				
		\$5,000	\$5,500	\$6,000	\$6,500	\$7,000
RATE	0.025%	0%	7%	13%	19%	25%
	0.030%	5%	13%	20%	27%	33%
	0.035%	9%	17%	25%	33%	40%
	0.040%	13%	21%	30%	38%	45%

#### Summary

CDIAC's fund balance is currently very strong. However, the condition of CDIAC's fund could deteriorate quickly if the municipal borrowing upon which CDIAC's revenues depend is negatively affected by the continuation of economic volatility into the out years. Currently, the selected management strategy has been fiscal restraint regarding discretionary expenditures, with a focus on one-time expenditures for efficiency gains, and strategic vacancy management. This fiscal discipline is necessary, but not consistent with the intention behind the statutory budget authority. If the objectives of the Legislature in establishing CDIAC's budget authority are to be realized, CDIAC will require additional revenue. Although there are other methods for raising revenues, an increase in CDIAC's issuance fee is thought to be the most direct path forward.

Statutory change is required to modify CDIAC's issuance fee in a manner that provides the magnitude increase necessary to draw revenues up to a level in line with statutory budget authority. The brief analysis provided suggests that the current statutory structure of CDIAC's fee could be reasonably adjusted to meet the revenue objectives, but policy questions regarding the distribution of the fee increase among the types of issuers would have to be resolved in the process of selecting an approach.

## FY 2024–25 SUMMARY OF ACCOMPLISHMENTS

### Debt Data Collection and Reporting

FY 2024–25 marked the third full year of operation of the Data Portal, CDIAC's cloud-based data collection and database application deployed in June 2022. The Data Portal was designed to enhance CDIAC's capacity to process the growing number of required reports, increase compliance, improve data validity, and engage public agency stakeholders directly in the collection, maintenance, and dissemination of their own debt issuance data. The value of this major technology advancement has been substantiated through elevated capacity and efficiency internally and drastically increased constituent satisfaction with their regular Data Portal interaction.

During the first nine months of FY 2024–25, CDIAC's Data Collection and Analysis Unit (Data Team) received and reviewed a total of 16,865 reports submitted through the Data Portal. It is projected that the total number of reports received by CDIAC will be near 18,000 by the end of FY 2024–25, including nearly 1,600 Reports of Final Sale (RFS) – in total a 4% increase over the prior fiscal year. The Annual Debt Transparency Report<sup>7</sup> (ADTR) is CDIAC highest volume report making up more than 50% of all submitted reports. As expected, the number of ADTR's reported to CDIAC continued to increase (4.1%), although the growth was not as drastic in 2024–25 as the double-digit year-to-year increases seen in previous years. Several factors may have contributed to the decline in the rate of growth of ADTR report submissions. First the reporting enhancements ushered in by the Data Portal have led to marked declines in "issue splitting" a practice where filers report a series within an issue separately, resulting in additional Reports of Final Sale as well as multiple ADTRs reporting obligations. Next, it is possible that ADTR submissions may be approaching its expected plateau, the point at which the reporting obligations for past debt issues are ending at the same pace as new issuance reporting obligations begin.

Despite the volume of reports at historic levels, the Data Team was able to review all issuance reports within a business day on average, and reviewed and published all annual data (nearly 15,000 reports) to meet or exceed all of CDIAC's promoted timeliness goals.

FY 2024–25 was the first full year of operation for DebtWatch 2.0, CDIAC's second-generation data transparency website. During the year, CDIAC continued to build on the successful launch of Debtwatch 2.0

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<sup>7</sup> Government Code Section 8855(k), added by SB 1029 (Chapter 307, Statutes of 2016) issuers are required to submit an annual debt transparency report for a Report of Final Sale submitted on or after January 21, 2017.

by deploying enhancements which improve the accessibility and utility of CDIAC's data, and the efficiency and timeliness of CDIAC's process to provide information to the public. Major enhancements included:

- Automatically generated summaries of the annually submitted Mello-Roos, Marks-Roos, and ADTR data. The automation of these report summaries has saved hundreds of hours of Data Team time that has been reallocated to reviewing the increasing number of reports and improving data validity.
- Direct and secure linkage from DebtWatch to the Data Portal for a particular issuance record that gives data submitters the opportunity to spot errors and quickly access their records to make corrections.
- The *Report Builder* feature allows users of DebtWatch to create and download tabular reports of issuance data with customized combinations of debt characteristic and time-series across the entire dataset of issuance records since 1982.
- Fully automated *Debt Line Calendar* that displays the proposed and sold issuance reporting activity which has been submitted and/or reviewed during any given month.
- Prefiltered DebtWatch data visualizations have been integrated with CDIAC's webpage and *Debt Line* newsletter to align the data dissemination from CDIAC to a single source, Debt Watch. This integration removes the chance of inconsistent data dissemination, provides data on a near real time basis, and saves many hours of staff time spent building stand-alone data visualizations on a weekly and monthly basis.

## Continuing Education

CDIAC's educational program schedule in FY 2024–25 consisted of four in-person programs and two webinars. Programming attracted a total of 989 attendees representing a 50% increase in the reach of CDIAC's programs since FY 2022-23.

In September, CDIAC produced its flagship education program on debt issuance and administration: *Municipal Debt Essentials*. CDIAC staff and partners presented a comprehensive curriculum on debt financing through multiple lectures and activities over three days in Pomona. The Debt Essentials program covered the fundamentals of debt financing; the mechanics of planning, preparing, and issuing debt; and post-issuance administrative requirements. Dave Sanchez, Director of the Office of Municipal Securities for the U.S. Securities and Exchange Commission, opened Day 3 of the program. His remarks, entitled *Responsibilities of Regulated Entities to Municipal Issuers*, were published by the SEC.

In October, CDIAC partnered with *The Bond Buyer* to host the 23<sup>rd</sup> Annual CDIAC Pre-Conference to the 34<sup>th</sup> Annual California Public Finance Conference. The preconference, entitled *The Pursuit of Fair and Efficient Pricing*, examined new issuance pricing inequities and strategies for overcoming them.

The program opened with an examination of price dispersion and volatility for new issuance municipal securities and causes of variance. The next session featured Dave Sanchez of the U.S. Securities and Exchange Commission who discussed the laws that govern the relationship issuers have with their financing team members and how these legal protections are designed to bring more fairness and transparency to new issuance pricing. The program concluded with a panel composed of an issuer, underwriters, and municipal advisors who discussed their unique experiences managing bond pricing, including how practices have evolved due to regulatory pressure, advancements in information technology, and fundamental changes to the market for municipal securities. The program conveyed strong experiential substantiation for the use of a competitive sale method for new issuances.

In January, CDIAC partnered with the California Municipal Treasurers Association to host *Advanced Public Funds Investing: The Analytics of Investment Selection*, in Costa Mesa. This two-day seminar expanded from the fundamentals of public funds investing to cover advanced concepts underlying sound public portfolio decision-making, focusing on identifying the risks and understanding the features of each of the permissible security classes in the context of an investment strategy. The program concluded with a tutorial of various investment database tools.

In April, *Municipal Market Disclosure: Fundamentals and Evolving Practices* in Costa Mesa. This two-day seminar sought to assist public agency officials and other market professionals in expanding their understanding of the policy and regulatory environment surrounding municipal disclosure, as well as provided information to support adaptation to emerging municipal disclosure issues. Day one focused on the fundamentals of disclosure, covering current rules for primary and continuing disclosure practices by public agencies including reporting requirements to CDIAC. Day two focused on best practices for an enterprise-level disclosure approach to navigating various areas of risk, including structural deficits, cyber-security and climate change. Panelist also provided insights into the complexities of implementation of the Federal Data Transparency Act.

CDIAC also produced two new original webinar programs during the year. Airing in October, CDIAC debuted its first *Annual Municipal Disclosure Training*. Designed to provide highly recommended annual training to California issuers, the webinar focused on the fundamental elements of strong disclosure practices at the enterprise level and discussed

the risks to the public agency and its officials of disclosure failures. A replay of the webinar was made available through CDIAC's Education Portal where it was enhanced with learning check questions and a certificate of completion.

Motivated by and built from an in-house research series on the use of credit ratings, CDIAC also produced the webinar, *Practical Adaptations to the Evolution of Credit Ratings*. The program examined the evolution of credit rating trends and how issuers may consider adapting their approach to the rating process to position their issuance for the best possible ratings outcome.

Due to the success of CDIAC Elect>Ed series on debt issuance and administration and the continuous addition of new on-demand content, participation in CDIAC's online education offered through the CDIAC Education Portal continues to grow. The Education Portal now has over 600 registered users and features 58 hours of content in 45 on-demand courses including previously aired webinars and e-learning modules.

## Research and Guidance

In addition to being the primary contributors of content for *Debt Line*, CDIAC's statutorily required monthly newsletter, CDIAC's Policy Research Unit (Research Team) completed a number of important projects during the year that either provided guidance to public agency officials on topics of debt issuance and public investments or informed public finance policy decisions.

Research published in FY 2023–24 served as the catalyst for the development of the *Practical Adaptations to the Evolution of Credit Ratings*, a webinar held in November 2024 as noted earlier. The Research Team also contributed to the development of the content for the program. The collaboration between the Research and Education Teams provides the opportunity to broaden the audience for CDIAC's published work and continues to be an emphasis.

The Research Team published the third and final report in CDIAC's California lease financing content series. This report, *Recommended Practices for Lease Financing in California Public Agencies*, builds from the foundation of the first two published reports and features consensus from multiple industry experts about best practices for lease financing, and practices that agencies ought to avoid. The report includes a "critical path" of important steps and considerations for public agencies to consider during the issuance process.

CDIAC's recurring update of the *Local Agency Investment Guidelines* was completed to support CDIAC's annual educational programming related

to public investment. Local public agency investment professionals eagerly await the update as it provides the latest information and guidance for interpreting and applying state and federal law to the practice of surplus funds investing.

The 2025 update of *K-14 Voter Approved General Obligation Bonds: Authorized, But Unissued*, identified over \$98.3 billion of unissued, voter-approved general obligation bond capacity among school and community college districts from elections dating back to the passage of Proposition 39 in 2001.

Originally published in 2013, *Investments Under Government Code 53601 – Focus on Securities Issued by Foreign Entities and Foreign Affiliates – 2025 Update*, was published as an enhancement of the original work to assist local agencies in deciding whether an investment product meets the requirements of Government Code section 53601 regarding the issuer's foreign entity affiliation. This brief describes five different permissible investment types that may be issued by a foreign or foreign affiliated entities and explains methods local agencies can use to determine whether the issuer meets the requirements of the Government Code.

As part of its long-standing research tradition of compiling and analyzing results of the state and local bond and tax measures included on primary and general election ballots, CDIAC published *Bond and Tax Measures Appearing on the 2024 Primary Election Ballots* and *Bond and Tax Measures Appearing on the 2024 Local and General Election Ballots*. This report series began covering the results of the statewide General Election in 1994 and has now expanded to cover the state primary elections and results of odd-year local elections. The data collected through this process contributes to CDIAC's tracking of bond authorizations and provides key data points for the annual *K-14 Authorized, but Unissued* report. All of CDIAC's bond and tax election data is available on DebtWatch.

The CDIAC Research team also supported and contributed to efforts across the organization. In collaboration with the Data Team, the Research Team published summary findings of annually reported Marks-Roos, Mello-Roos and ADTR data to accompany the release of the full datasets and summary reports through DebtWatch. The newly developed process produced the most comprehensive and timely presentation of this annually collected data in CDIAC's history.

## PLANNING HIGHLIGHTS FOR FY 2025–26

CDIAC's mission is to improve the practice of public finance in California by providing responsive and reliable information, education, and guidance. CDIAC seeks consistent achievement of this mission by delivering products and services that are timely, of the highest achievable

utility, simply discovered and accessed, and provided in the formats and modes supportive of contemporary preferences for learning and analysis. CDIAC will direct its activity in pursuit of the following strategic objectives in the next year.

## Continuous Enhancement of the California Debt Database

*Collect, enhance and distribute accurate, timely, and complete data on the histories, uses, types, quantities, statuses, and terms of public debt issued by California public entities. Seek out and capitalize on opportunities to improve the user experience of the variety of stakeholders while increasing data validity, issuer compliance, and processing capacity.*

Continuous enhancements of CDIAC's databases systems - the Data Portal and DebtWatch - will remain an emphasis in FY 2025–26 and in years to come. Planning is underway to build-out the internal administrative interface to the Data Portal to allow greater capacity for the Data Team to directly modify records, assist constituents with maintenance of their debt information, and improve data validity. Plans also include improving the accessibility of the reports generated by the Data Portal to meet the requirements of the Americans with Disabilities Act. California statute requires, in some cases, that evidence of submission of data to CDIAC be provided to the public through a local agency's website. The .pdf reports generated by the Data Portal are not ADA compliant. Making the Data Portal reports ADA compliant will prevent the introduction of a compliance defect on the website of a local agency that posts Data Portal reports pursuant to statute.

CDIAC will continue its work to consolidate its vast collection of issuance documentation into the Data Portal and thereby make it available to stakeholders via DebtWatch. This includes the digital conversion of documentation from the records of issuance from before the year 2000 that is stored only in hardcopy.

## Core and Topical Educational Programs

*Develop and conduct core and topical training in debt issuance and administration and the investment of public funds. Emphasize applied learning and use of technology to increase learning opportunities and enhance the learner's experience.*

### TOPICAL WEBINARS

CDIAC will use the webinar format to produce educational content around emerging public finance topics and would like to enhance programs through the integration of companion publications and guidance produced through CDIAC's research activities.

In Summer 2025, CDIAC's Education Unit will facilitate ongoing needs from the organization's Data Unit by producing a series of tutorials on how to use the features of Debt Watch to monitor the issuance activity and fiscal status of California debt and obtain data for research and analysis.

In Fall 2025, CDIAC plans to host the second *Annual Municipal Disclosure Training* webinar in 2025 with a focus on the organizational and procedural structure of issuers able to engage in disclosure best practices. This is intended to be training for a wide range of officials involved in disclosure across an agency with emphasis on those infrequently involved or whose roles are tangential, but impactful to an issuer's primary and continuing disclosure.

In Spring 2026, CDIAC will develop a 2-part webinar series on lease financing that will bring forward the foundational legal elements and best practices included in CDIAC's California lease financing content series. It will be an opportunity to feature the work of the Research Team and engage the numerous expert contributors directly in the program presentation.

#### IN-PERSON PROGRAMS

In September, CDIAC will produce its 2-day program *Land-secured Financing: Fundamentals and Evolving Practices* to be held in Pleasanton. On the first day, the program covers the fundamentals of assessment district and community facilities district formation, debt issuance, and on-going administration. On day two, the program will explore evolving CFD formation, financing, and administration practices, examine economic and market conditions, and discuss the trends, challenges, and opportunities relating to the use of land-secured financing.

For the 24<sup>th</sup> year, CDIAC will produce the Pre-conference to *The Bond Buyer* California Public Finance Conference. The Pre-conference, a half-day program is scheduled for November 3, 2025, in San Diego. This year's Pre-conference will continue CDIAC's practice of focusing on evolving municipal market topics that provide practical value to California's public agency issuers.

In the winter 2026, CDIAC in collaboration with the California Municipal Treasurers Association will offer the *Fundamentals of Public Funds Investing*, in Southern California. This two-day seminar will address the fundamental concepts, tools, and strategies necessary to manage and oversee public investment portfolios.



## Develop Timely and Practical Guidance and Integrated Research

*Develop analyses, reports and tools that improve the practice of public finance and are integrated with – or foundational to – other products, services, or research.*

Building on the success of the credit ratings research and webinar, CDIAC will direct its research work to support and enrich the educational programming produced during the year. The Research team will focus on producing articles, briefs, or guidance that will be used as an educational foundation or to consolidate the information presented during an educational program.

In addition to a focus on integration with educational programming, work will continue on regularly scheduled articles in *Debt Line*. The Research team will also be focused on several important project goals, including conducting a multiyear analysis of annual debt transparency reporting as well as updating a report tracking the use of green, social, and sustainability bond labels reported to CDIAC. Additional research is in progress on ratings specifically related to pricing differentials based on the number of credit ratings from 2022–2024 and will be published in an upcoming *Debt Line* article.

Research staff will continue tracking developments of the federal regulatory process pertaining to the Federal Data Transparency Act (FDTA). Future federal rulemaking is expected to require California's public agencies to adopt new information systems and enact specific data standards. CDIAC will examine if guidance would be beneficial for issuers in assessing whether any actions should be taken to prepare for the implementation of required data transparency standards.

CDIAC's *California Public Fund Investment Primer (Primer)* is a fundamental investment resource, that is referenced in nearly every investment related program conducted in California and regularly used by California's public investment professionals. As the current version of the Primer is dated December 2009, CDIAC will engage in a long-term project, led by the Research Team and involving a team of external experts, to update the current content, add new content to reflect current practices and new applications, and develop a format that creates enhanced utility and accessibility.

## Build an Organization that Will Deliver on CDIAC's Value Proposition

*Develop and maintain an organization that is well known for delivering timely, convenient, practical, professional, and accurate data, information, and guidance.*

CDIAC will continue to use targeted communication tools and social media to promote new products, educational opportunities, and Data Portal and DebtWatch enhancements. It will continue to take advantage of opportunities to innovate in ways that deliver information to constituents in more timely, accurate, and useful formats.

### STRATEGIC MARKETING

CDIAC has continued to focus on strategic use of social media and email outreach to market its programs and resources. In FY 2025–26, CDIAC intends to employ an active strategy of following municipal market partners, building on existing recognized campaigns, and posting unique CDIAC messages.

In FY 2025–26, CDIAC will procure a new email marketing platform to help focus our outreach to CDIAC's stakeholders. CDIAC has developed a subscriber list of over 9,000 interested parties, and the new platform will allow CDIAC to focus email marketing to specific subscriber subgroups and integrate social media and email marketing campaigns.

### WEB PRESENCE

CDIAC has begun to develop plans for rebuilding several aspects of its website that will enhance access to both educational content and publications. The focus of these efforts is to improve the search functionality of resources across CDIAC disciplines, leverage the features of Debt Watch and the Education Portal to deliver data and education, and feature the most current and relevant information while preserving accessibility to older resources. It is expected that CDIAC's website enhancement objectives can be accommodated in the State Treasurer's Office planning for an enterprise-wide website redesign expected to begin within the 2025-26 fiscal year. Elements of the enterprise-wide enhancement are expected to provide additional opportunities to improve CDIAC's web presence and constituent communications.