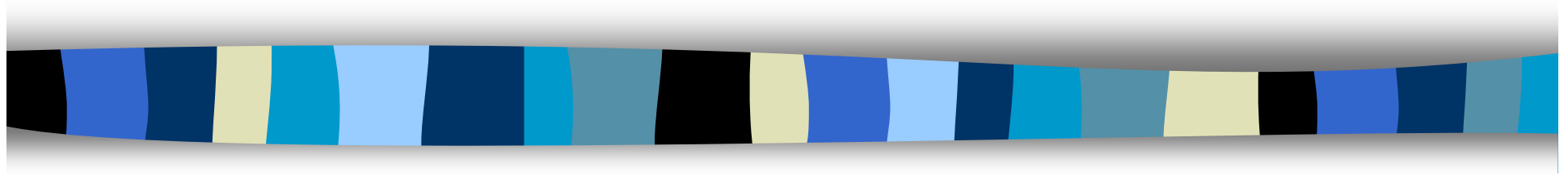


Continuing Disclosure: Internal Roles and Responsibilities



Presented by:
Marshall Eyerman, Special Districts Program Manager
City of Moreno Valley



City of Moreno Valley

- Located in Riverside County
 - Between Cities of Riverside and Perris
- Incorporated 1984
- 51.5 Square Miles
- Approx. 190,000 Population



Debt Outstanding

- Community Facilities Districts
- Certificates of Participation
- Lease Revenues Bonds
- Tax Allocation Bonds



Continuing Disclosure Rules

- Rule 10b-5
- Rule 15c2-12
 - 1994 Amendment
 - Annual Reports
 - 2008 Amendment
 - EMMA
 - 2010 Amendment
 - Materiality
 - New Event Disclosures
 - Filing timelines



Where to Start:

Understanding Your Debt

- Review the Official Statement
 - General Structure of the Finances
 - The Story Behind the Bonds?
- Review Trust Indenture
- What Reporting is Required?
 - Annual Reports
 - Obligated Parties
 - Specific Requirements



Sources of Information

■ Finance

- State Controllers Reports
- Financial Statement
- Budgets

■ Redevelopment

- Tax Increment Reports
- Appeals

■ Community Development

- Current and Future Developments



Sources of Information

- City Attorney
 - Pending Litigation or Bankruptcies
- Consultants
 - Arbitrage Rebate
 - Trustee
 - Bond Counsel
 - Financial Advisor
- Developers/Property Owners



Coordinating Activities/Roles

- Who will be responsible:
 - Research and Gather Information
 - Filter the Information
 - Prepare the Reports
 - Coordinate Approvals
 - Disseminate
 - Investor Relations



Research, Gather, and Filter...

- What was presented in the Official Statement?
- What are the requirements of the Continuing Disclosure Certificate?
- What has been presented in historical reports?
- What has been identified in reports for other bonds?
- What is occurring in the news?
- What really provides the security for the debt?
- What is interesting versus material?



What to Watch for...

■ Material Event Notices

1. Principal and Interest Payment Delinquencies
2. Non-payment Related Defaults
3. Unscheduled Draws on Debt Service Reserves
4. Unscheduled Draws on Liquidity Enhancement
5. Substitution of Credit or Liquidity Providers or Failure of Credit or Liquidity Providers to Perform
6. Adverse Tax Opinions or Events Affecting Tax Exempt Status of Bonds
7. Modification to Security Holder's Rights
8. Bond Calls
9. Defeasances
10. Release, Substitution or Sale of Property Securing Bond Repayment
11. Rating Changes

■ What is the Story Behind Your Debts?

■ Where are You Heading in the Future?



Investor Relations

- Internal Dialogue
 - Define Monitoring Roles
 - Other Department Concurrence
 - Define Reporting Requirements
 - Who and Where to Share Information
- Ongoing Reporting
 - Annual and Semi-Annual Reports
 - Disclosure Reports
 - Significant Events
 - Other
 - City Council Reports
 - City Website
 - Local News



Investor Relations

- Dissemination
 - Internal
 - Close the loop
 - External
 - EMMA
 - Investors
 - Public
 - Website

Questions?

