

Navigating Investor Disclosures During the COVID-19 Crisis

May 1, 2020

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Produced by the California Debt
and Investment Advisory Commission

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COVID-19 Municipal Debt Resources

CDIAC is monitoring and consolidating information on COVID-19 that relates to municipal debt into one place, so agencies can have easier access to information.

TREASURER.CA.GOV/CDIAC/COVID-19.ASP



CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION

COVID-19 Municipal Debt Resources

As public finance officials work tirelessly to support their communities during this unprecedented time, CDIAC and our allied public finance organizations are supporting our public finance officials through producing a wide variety of municipal finance topics made critical by the pandemic.

This page consolidates available information on COVID-19 that relates to municipal debt in one place, so agencies can more quickly and easily educate themselves on these complex issues as they evolve. Follow the links below to jump to sections within this page.

- [Upcoming Webinars](#)
- [Recent Webinars](#)
- [Resource Highlights](#)
- [COVID-19 Response Related Websites](#)
- [CDIAC Information](#)
- [Resource Archive](#)

Outline

- COVID-19-Related Disclosure in California
- Considerations for COVID-19 Disclosure Content
- Voluntary Disclosure
- Primary Offering Disclosure
- Continuing Disclosure

COVID-19 Related Disclosures in California

Source: <https://emma.msrb.org/>
Data as of April 26, 2020

Disclosure Type	Category	February 2020	March 2020	April 2020	Total
Initial	Preliminary Official Statement	0	1	9	10
	Official Statement	1	20	46	67
	Supplementary Official Statement	0	0	2	2
	Initial Disclosure Total	1	21	57	79
Continuing: Annual Financial Information	Annual Financial Disclosures	0	0	0	0
	15c2-12: Annual Financial Info and Operating Data	0	70	8	78
	15c2-12: Audited Financial Statements or CAFR	0	10	27	37
	Budget	0	0	0	0
	Change in FY / Timing of Annual Disclosure	0	0	0	0
	Consultant Reports	0	0	0	0
	Failure to Provide Annual Financial Info as Required	0	0	1	1
	Info Provided to Rating Agency or Other 3 rd Party	0	0	0	0
	Interim / Additional Financial or Operating Data	0	6	2	8
	Other Financial / Operating Data	0	22	16	38
	Quarterly / Monthly Financial Info	0	1	3	4
	Annual Financial Disclosures Total	0	109	57	166
Continuing: Event-Based Disclosures	Bond Call	0	0	0	0
	Capital or Other Finance Plan	0	0	0	0
	Failure to Provide Event Filing Information as Required	0	0	0	0
	Financial Obligation – Incurrence or Agreement	0	0	3	3
	Merger/Consolidation/Acquisition and Sale of All Assets	0	0	0	0
	Non-payment Related Default	0	0	0	0
	Notice to Investor Pursuant to Bond Documents	0	0	1	1
	Other Event-based Disclosures	0	9	34	43
	Principal / Interest Payment Delinquency	0	0	0	0
	Quarterly Asset-Backed Security Disclosure	0	0	0	0
	Rating Change	1	7	29	37
	Unscheduled Draw on Debt Service Reserve	0	0	0	0
Event-Based Disclosure Total	1	16	67	84	

CA COVID-19 Voluntary Disclosure Data

Source: <https://lumesis.com/>

Data from March 19, 2020 to April 26, 2020

50 Total COVID-19 Voluntary Disclosures

26 Individual Disclosure Filings By Conduit Issuers

Issuers with Voluntary Disclosures Related to COVID-19

Association of Bay Area Governments
Bay Area Toll Authority
City of Berkeley
CA Community Housing Agency
CA Health Facilities Financing Authority
CA Municipal Financing Authority
CA School Financing Authority

CA Statewide Communities Development Authority
City of Campbell
City of Carmel
City of Colma
Contra Costa County
City of El Monte
City of Laverne

City of Lakeport
City of Los Angeles Department of Airports
Los Angeles County Metro Transportation Authority
City of Newark
City of Oxnard
City of Sausalito
City of Torrance
City of Yountville

Follow links to disclosures in both the MSRB and Lumesis to see how your peers are approaching COVID-19 disclosures.

DANIEL DEATON

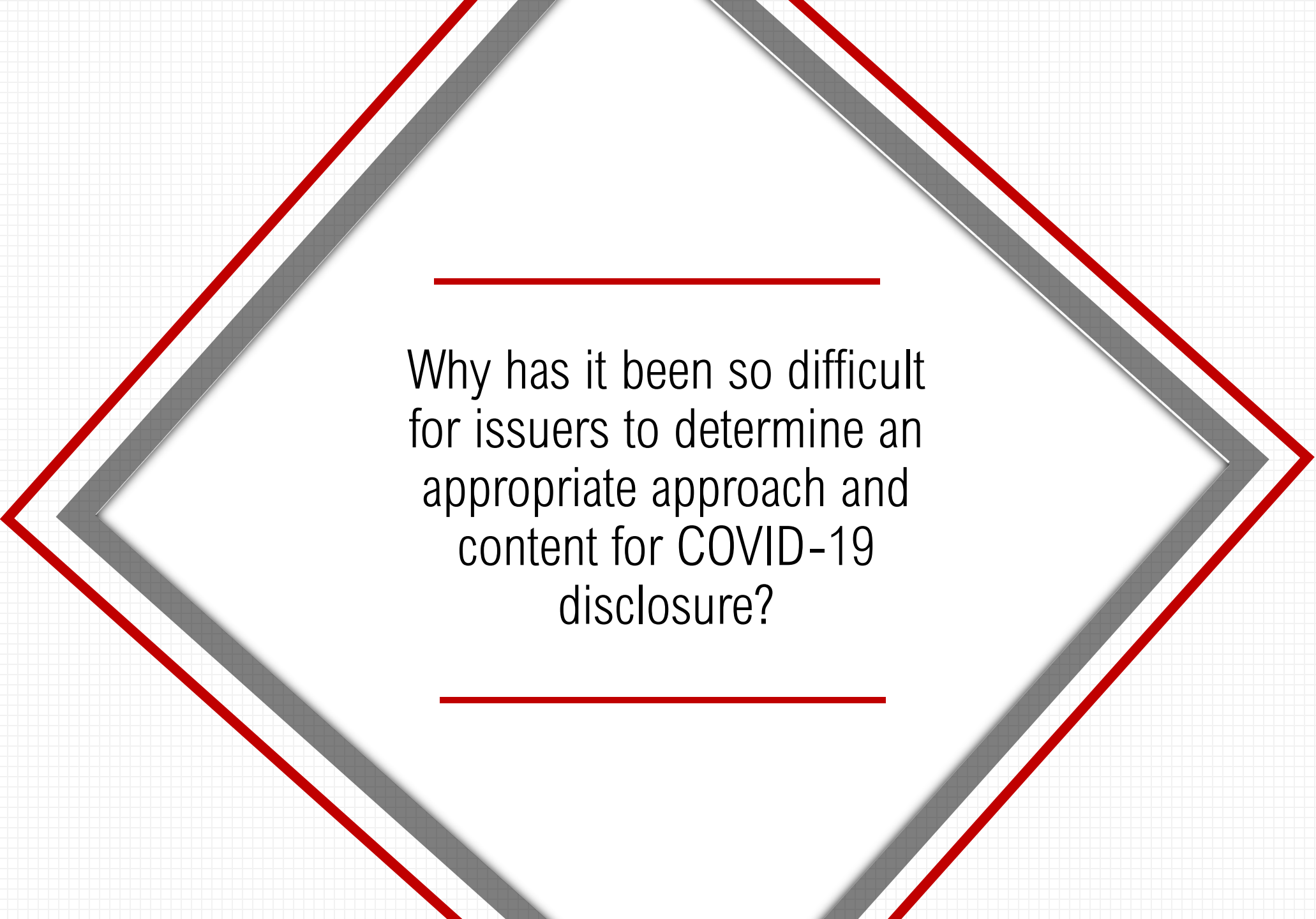
Partner
Nixon Peabody



BROOKE ABOLA

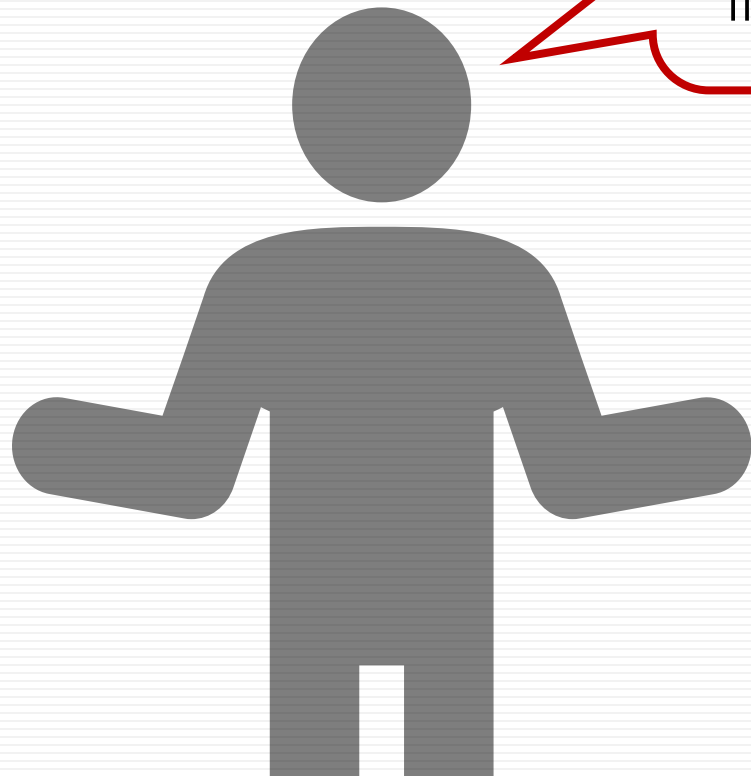
Deputy City Attorney
Office of the San Francisco City Attorney,
SFO Airport Division





Why has it been so difficult
for issuers to determine an
appropriate approach and
content for COVID-19
disclosure?

Considerations for COVID-19 Disclosure Content



How do I disclose an impact that I am still figuring out?

Key Points

- Share known actions, events, and impacts
- Share data that can potentially be a leading indicator of your future financial position
 - Vehicle, traffic, passenger or ridership counts
 - Revenue receipts
- Consider sharing operational data or scenarios management is using to plan for the future

Polling Questions

1. Have you posted, or are you considering, a voluntary disclosure?

Yes (8%) | Under Consideration (26%) | Not Currently Considering (36%) | Not Applicable (30%)

133 Responses

2. What primary mode are you using, or are considering using, for voluntary disclosures?

Investor Relations Website (3%) | EMMA (50%) | Regular issuer Website (6%) | Other (2%) | Not Applicable (47%)

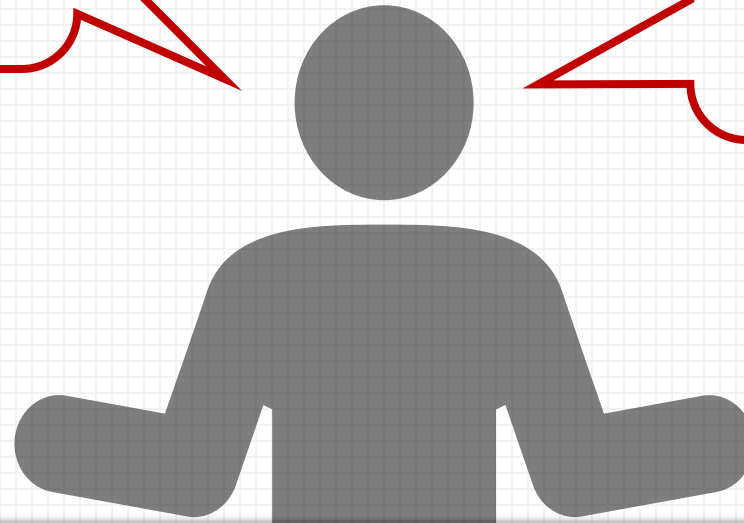
Note: Multiple answers allowed resulted in the total being greater than 100%

122 Responses

What do I include
in a voluntary
disclosure?

Should I do a series?
Does making one
imply I will update this
in the future?

Where do I post,
EMMA or investor
relations website?



Voluntary Disclosures

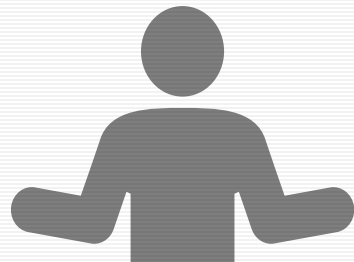
Polling Question

Have you prepared primary offering disclosure since the COVID-19 outbreak?

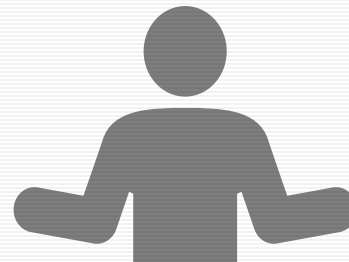
[No Results – Question Skipped Due To Time]

Primary Offering Disclosure

What makes primary offer disclosure different than secondary market disclosure?



What should I consider if I am including projections of future financial performance?



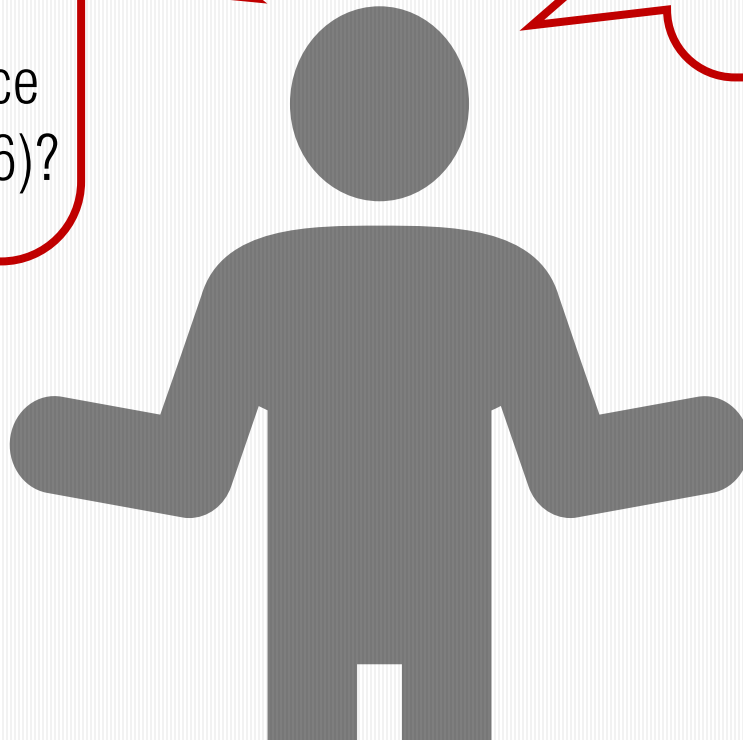
How should I address the concern that the POS will speak as of its date, but significant developments could occur before closing?



Continuing Disclosure

If I am amending financial obligations in connection with COVID-19 related matters, do I need to post a listed event notice under material event (15) or (16)?

Do I have to file a listed event notice if one or more rating agencies change their ratings or outlook?



You Ask They Answer



MODERATOR: ROBERT BERRY



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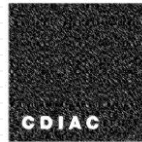


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