

California Debt and Investment Advisory Commission
Webinar Transcript
Steps for Filing Your Marks-Roos Yearly Fiscal Status Report
August 27, 2020

With the annual statutory deadline approaching on October 30th, the California Debt and Investment Advisory Commission (CDIAC) offers filers a step-by-step walkthrough of submitting the Marks-Roos Yearly Fiscal Status Report through its online platform. The webinar will provide tips and tools helpful to both new and experienced filers and also address frequently asked questions that CDIAC has received regarding this report.

[Editor's Note: This transcript has been prepared by the California Debt and Investment Advisory Commission (CDIAC) and it believes it to be a fair and accurate reproduction of the comments of the speakers. Any errors are those of CDIAC and not the speakers.]

Title Slide – Steps for Filing Your Marks-Roos Yearly Fiscal Status Report

TARA DUNN: Good morning everyone and welcome to *Steps for Filing Your Marks-Roos Yearly Fiscal Status Report*, a webinar presented by the California Debt and Investment Advisory Commission. My name is Tara Dunn, I am the Manager of CDIAC's Technical Assistance Section.

For the next hour or so, we will be presenting, first, an overview of the Marks-Roos Yearly Fiscal Status Report [YFSR], then, a walk-through of how to submit the report through CDIAC's online platform, as well as a walk-through of submitting a report for a draw on a reserve fund, default or replenishment, and then follow-up with frequently asked questions we receive about these reports.

And now, on to a few housekeeping items to go over.

Slide 2 – Housekeeping

1:01

TARA DUNN: The slides for today's presentation are available in PDF form in the *Handouts* section of your webinar control panel. After our presentation, these slides will also be available to download from our website.

We encourage you to submit questions during the broadcast at any time using the box marked *Questions* near the bottom of your control panel.

Any questions we receive will be held until the live question and answer session near the end of the program.

Access to live captioning is available during the presentation at the address that you see on this slide. The link is also posted in the *Chat* section at the bottom of your control panel, so you can copy and paste the web address into a second browser window.

We will email certificates of attendance to those who participate in the webinar. To be eligible to receive a certificate of attendance, you must have personally registered and have remained

logged in for 70% of the webinar. If you meet those two basic requirements, you'll receive a certificate in a couple of weeks.

A replay and a transcript of this webcast will be posted on our website. CDIAC makes all of our webinars available on our website for replay and are accessible in our media library section on the CDIAC Education page. All the registrants will also receive an email with a web-link to the replay and transcript once it is completed, usually within a couple of weeks.

Finally, if you are having any technical issues try the toll-free number 877-582-7011 or the link to GoToWebinar shown on the screen.

Slide 3 – Speaker Introductions

3:04

TARA DUNN: Today's webinar will be presented by Nova Edwards, the Manager of CDIAC's Data Collection and Analysis Unit. Nova was appointed as the Manager of the Data Unit last year in December 2019. Prior to her appointment, Nova was a member of CDIAC's Policy Research Unit. As a research specialist, she authored many publications including the series summarizing the results of bond and tax measures appearing after each election cycle and she managed the annual update to the *Local Agency Investment Guidelines*. Nova has been a member of the CDIAC team for over 20 years and has an in-depth knowledge of CDIAC, its data, and the debt issuance database.

As for myself, I was recently appointed in April as the manager of CDIAC's Technical Assistance Section following Joyce Ward's retirement last year. Prior to this appointment, I was also a member of CDIAC's Policy Research Unit conducting research, and providing analysis and technical assistance on a variety of municipal debt issuance topics and investment-related topics, including K-14 voter approved general obligation bond authority, green bonds, securitized investments and socially responsible investing.

Slide 4 – Marks-Roos Issuance in California, by Year

4:35

TARA DUNN: Before I hand it over to Nova, we have included a couple of snap shots of Marks-Roos issuance over a 20-year period, from fiscal year 1996/97 through fiscal year 2016/17. These figures on the slide include both new money and refunding issuance and show the highest issuance years as fiscal years 2006/07 and 2014/15, each totaling over 2.3 billion dollars.

Slide 5 – Marks-Roos Issuance in California, by County

5:11

TARA DUNN: Here is another look at the use of Marks-Roos bonds geographically by county. Soon, CDIAC will be publishing an upcoming article about this 20-year period of Marks-Roos issuance in our monthly newsletter, *Debt Line*.

So now that you have seen a quick overview of past Marks-Roos issuance in California, I will turn it over to Nova. Nova?

Slide 6 – Legislation & Code on Collection of Marks-Roos Debt Data

5:42

NOVA EDWARDS: Thank you, Tara.

Before we get started with the steps to completing your Marks-Roos Yearly Fiscal Status Report, let's go over pertinent legislation regarding CDIAC's formation and the legislative requirements for filing different reports with CDIAC.

In 1981, AB 1192 created the California Debt Advisory Commission also known as CDAC. Then later in 1996, AB 1197 added investment to CDAC, changing the Commission's name to the California Debt and Investment Advisory Commission. This was done because the Commission was expanded to include investments.

Also in 1996, Government Code, §6599.1 established requirements for issuers of bonds issued under the Marks-Roos Local Bond Pooling Act of 1985 to submit specific information to CDIAC on an annual basis and to notify CDIAC if there is a default or draw on reserve to pay debt service.

And finally, under the California Code of Regulations, §6050- §6053, Marks-Roos Yearly Fiscal Status Reports and the Marks-Roos Draw on Reserve/Default Reports were established as the reports to satisfy Government Code §6599.1. These sections also provide reporting requirements, define terms, and confirm acceptability of online submission to CDIAC.

Slide 7 – Outline

7:27

NOVA EDWARDS: The information presented to you in this webinar, has three parts. One, Marks-Roos Yearly Fiscal Status Report. Two, Draw on Reserve/Default/Replenishment Report and three, frequently asked questions

Slide 8 – 1: Marks-Roos YFSR

7:47

NOVA EDWARDS: Part one, the Marks-Roos Yearly Fiscal Status Report will take a look at the overview of the Marks-Roos Yearly Fiscal Status Report, discuss the information collected, review the two types of Yearly Fiscal Status Reports, the authority and the local obligor, and show where to find the reports on CDIAC's website

Slide 9 – Overview of the Marks-Roos YFSR

8:13

NOVA EDWARDS: If an issuer issued a Marks-Roos bond after January 1, 1996, then a Yearly Fiscal Status Report must be submitted to CDIAC by October 30th of each year until the bond matures.

Each year around the beginning of August, CDIAC sends a courtesy reminder to remind the authority or local obligor to submit their Yearly Fiscal Status Report by October 30th.

Slide 10 – Information Collected in the Marks-Roos YFSR

8:45

NOVA EDWARDS: The information collected in the Marks-Roos Yearly Fiscal Status Report is as follows: Principal amount of bonds outstanding, for both authority bonds and local obligations with the proceeds of authority bonds, balance in reserve fund, costs of issuance, including ongoing fees. Just to name a few ongoing fees, they could be accounting fees, audit

fees, or fees to a county water district. We also collect the total amount of administrative fees and the amount of administrative fees charged to each local obligation. In addition, we collect interest earnings and terms of all guaranteed investment contract, commissions and fees paid on guaranteed investment contracts, delinquency rate on all local obligations and the balance in capitalized interest accounts

Slide 11 – Two Types of Marks-Roos YFSR

9:51

NOVA EDWARDS: There are two types of Marks-Roos Yearly Fiscal Status Reports, one for authority issuers and one for local obligors.

The Yearly Fiscal Status Reports for authority issuers is to be completed by the joint powers authority who issued the Marks-Roos bond and uses the proceeds from its bond issue to acquire, purchase, or transfer funds to a local obligor under a debt agreement.

The Yearly Fiscal Status Reports for local obligors, is completed by the local agency with an acquired local obligation, meaning their bonds have been purchased by the proceeds of the authority bonds or received a loan from the proceeds of the authority.

Slide 12 – Online Submittal

10:43

NOVA EDWARDS: To file your Yearly Fiscal Status Report online, please go to our website listed on this slide (www.treasurer.ca.gov/cdiac/reporting.asp). There, you will find the links to submit your report. In addition, there are filing instructions that you can refer to.

Slide 13 – Login

11:00

NOVA EDWARDS: Once you choose the appropriate Yearly Fiscal Status Report, either for the authority or local obligor, you will be brought to the login screen where you'll be asked to provide the CDIAC number of your filing as well as the password. Both the CDIAC number and password were previously provided when the Report of Proposed Debt Issuance was submitted to CDIAC. In addition, you will need to enter the fiscal year for which you are submitting your report. Once logged in, you'll be brought to the online form specific to this issue.

Slide 14 – Online Form for a YFSR for Authority Issuers, Heading and Navigation Bar

11:41

NOVA EDWARDS: First, we will take a look at the Yearly Fiscal Status Report online form for authority issuers.

The navigation bar to the right, which has the names of the different sections of the report, will move as you scroll up or down so that you can click on any of the fields to take you to that section of the report. For example, if you're in Section IV, *Issue Retired*, and you want to go back to Section Two of the form, which is *Fund Balance*, just click on *Fund Balance*.

The CDIAC number, which is auto-filled, is to the left of the form.

This form has six sections: *General Information*, *Fund Balance Fiscal Status*, *Authority Financial Information*, *Issue Retired*, *Name of Party Completing This Form*, and *Comments*.

Slide 15 – Section I: General Information**11:41**

NOVA EDWARDS: In Section I, *General Information*, Section I-A through Section I-E are auto-filled. Section I-F and I G are not. You will be required to complete Section I-F with a yes or no to indicate whether a reserve fund minimum balance is required.

Also, if this is your initial filing, complete Section I-G with the issuance costs. If this is not the initial filing, please leave Section I-G blank.

Slide 16 – Section II: Fund Balance Fiscal Status**13:20**

NOVA EDWARDS: In Section II, *Fund Balance Fiscal Status*, the fiscal year for which you are filing your Marks-Roos Yearly Fiscal Status Report, will be auto-filled with the information you input at the login screen.

In Section II-A, enter the principal amount of bonds that is outstanding.

Section II-B, the *Total Bond Reserve Fund*, will be auto-filled with zero or an amount. If there is an amount in that section, please indicate the amount of the *Bond Reserve Cash* or the *Bond Reserve Surety Bond*.

Section II-C, the *Capitalized Interest Fund*, please enter the fund balance.

Please note that Sections II-A through II-C all require information as of June 30 of the fiscal year for which you are submitting your Yearly Fiscal Status Report.

Slide 17 – Section III: Authority Financial Information**14:26**

NOVA EDWARDS: In Section III, *Authority Financial Information*, Section III-A requires that you report the ongoing service fees that were paid during the reporting fiscal year. Click on the drop-down button under one, *Type of Service* to choose the appropriate service. A list of the services is at the bottom of the slide. Once you choose the service, tab over to two, *Amount of Fees* and enter the amount of the ongoing fees paid.

Slide 18 – Section III: Authority Financial Information, Continued**15:05**

NOVA EDWARDS: Section III-B, *Local Obligor*, is where you report the yearly administration fees charged against the local obligor. When filing online, it is imperative that you select “add” after each entry. If “add” is not selected, then the information does not get uploaded to CDIAC’s system.

Section III-C, is where you enter information pertaining to *Investment Contracts*, such as the final maturity of the investment contract, other information that’s pertinent to the investment contract, amount of fees paid or interest earnings during the filing FY.

Finally, Section III-D is where you indicate whether the agency participates in the *County’s Teeter Plan*. A Teeter Plan provides California counties with an optional alternative method for

allocating delinquent property tax revenues. For counties not under the Teeter Plan, interest and penalty are allocated to all agencies based on their pro rata share of the delinquent property tax.

Slide 19 – Section IV: Issued Retired

16:16

NOVA EDWARDS: Section IV, *Issue Retired*, requests information on whether the Marks-Roos bond has been retired. If it has not been retired, then all the fields will remain grayed out. If it has been retired, matured, redeemed entirely, or other, you will be able to enter the required information. The maturity date is required if the bond has matured.

If the bond was redeemed entirely, please provide the refunding bond title, CDIAC number, and redemption date. The redemption date must be during the reporting period of July 1 through June 30 of the fiscal year you are filing.

If the date is after the fiscal year for which you are filing, your submission will be unsuccessful.

If you select “other”, please explain and enter the effective date.

Slide 20 – Section V: Name of Party Completing This Form

17:23

NOVA EDWARDS: Section V, *Name of Party Completing This Form*, requires the name and the contact information of the filer. The *Date of the Report* will be auto-filled with the filing date.

The person listed in Section V will receive the courtesy reminder notice next year.

Slide 21 – Section VI: Comments, Validate, & Submit

17:47

NOVA EDWARDS: Section VI, *Comments*, is available if there is additional information the filer would like to submit to CDIAC.

Next, click on the *Validate Form* button. A *Confirm Data* button will appear under the *Validate Form* button and you will be given a preview of the information you entered with an option to select *yes* to submit the form or *no* to edit the form. Once you select *yes*, your form will be submitted to CDIAC. Lastly, you will have the option to print a PDF of your filing.

Slide 22 – Online Form for a YFSR for Local Obligors, Heading and Navigation Bar

18:27

NOVA EDWARDS: Now we will take a look at the Yearly Fiscal Status Report online form for local obligors.

As with the authority issuers form, the navigation bar to the right, which has the names of the different sections of the report, will move as you scroll up or down so that you can click on any of the fields to take you to that section of the report.

The CDIAC number, which is auto-filled, is to the left of the form.

This form has six sections: *General Information*, *Fund Balance Fiscal Status*, *Delinquent Reporting Information*, *Retired Issues*, *Name of Party Completing This Form*, and *Comments*.

Slide 23 – Section I: General Information**19:18**

NOVA EDWARDS: In Section I, *General Information*, Section I-A through Section I-E and Sections I-G and Sections I-H are auto-filled. Section I-F, *Reserve Fund Minimum Balance Required* is not. You will be required to complete Section I-F with a *yes* or *no* to indicate whether a *Reserve Fund Minimum Balance* is required. If the reserve is held at the authority level, choose *No*. If the Local Obligor funded the reserve from proceeds of the bond issue or loan received, then choose *Yes*. If, at the time of issuance, the local obligor was required to contribute to a reserve fund held by the authority, please provide the percentage of the reserve fund contributed.

Slide 24 – Section II: Fund Balance Fiscal Status**20:20**

NOVA EDWARDS: In Section II, *Fund Balance Fiscal Status*, the fiscal year for which you are filing your Marks-Roos Yearly Fiscal Status Report, will be auto-filled with the information you input at the login screen.

In Sections II-A through II-D please provide the applicable information. Please note that the information to be provided in Section II must be as of June 30th of the fiscal year for which you are submitting your Yearly Fiscal Status Report.

Slide 25 – Section III: Delinquent Reporting Information**20:54**

NOVA EDWARDS: In Section III, *Delinquent Reporting Information*, requires that you report the delinquency rate for taxes and assessments supporting the local obligations. This should be reported as the percentage of the total applicable tax increment, special tax, or benefit assessment installment due for the year. Indicate the tax collection date, if the agency participates in the county's Teeter Plan, the amount of taxes due and the amount of taxes unpaid.

Slide 26 – Section III: Delinquent Reporting Information, Continued**21:39**

NOVA EDWARDS: If the response to *Have delinquent taxes been reported?* is *No*, then enter June 30 and the fiscal year for which you filing.

Since no delinquency has been reported, enter \$0 in Section III-A.

Next, indicate whether the agency participates in the county's Teeter Plan in Section III-B, and enter \$0 for *Taxes Due* in III-C and *Taxes Unpaid* in III-D.

Slide 27 – Section III: Delinquent Reporting Information, Continued**22:19**

NOVA EDWARDS: If the response to *Have delinquent taxes been reported?* is *Yes*, but information is still pending, then enter June 30 and the FY year for which you are filing.

Because the delinquency information is unknown at this point, enter \$0 in Section III-A.

Next, indicate whether the agency participates in the county's Teeter Plan in Section III-B, and enter \$0 for *Taxes Due* in III-C and *Taxes Unpaid* in III-D.

In *Section VI: Comments*, please indicate that you will contact CDIAC once you receive the information for this section. Once you receive the information, please revise your PDF copy and forward it to email address on this slide (CDIAC_Issuance@treasurer.ca.gov) and CDIAC will update the record.

Slide 28 – Section IV: Retired Issues

23:25

NOVA EDWARDS: Section IV, *Issue Retired*, requests information on whether the Marks-Roos bond has been retired and is no longer reportable. If it has not been retired, then all the fields will remain grayed out. If it has been retired, matured, redeemed entirely or other, you will be able to enter the required information.

The maturity date is required if the bond has matured.

If the bond was redeemed entirely, please provide the refunding bond title, CDIAC number, and redemption date. The redemption date must be during the reporting period of July 1st through June 30th of the fiscal year you are filing.

If the date is after the fiscal year for which you are filing, your submission will be unsuccessful.

If you select other, please explain and enter the effective date.

Slide 29 – Section V: Name of Party Completing This Form

24:34

NOVA EDWARDS: Section V, *Name of Party Completing This Form*, requires the name and the contact information of the filer. The *Date of Report* will be auto-filled with the filing date.

The person listed in Section V will receive the courtesy reminder notice next year.

Slide 30 – Section VI: Comments, Validate, & Submit

24:55

NOVA EDWARDS: Section VI, *Comments*, is available if there is additional information the filer would like to submit to CDIAC, such as the pending information from Section III.

Next, click on the *Validate Form* button. A *Confirm Data* button will appear under the validate form button and you will be given a preview of the information you entered with an option to select *Yes* to submit the form or *No* to edit the form. Once you select *Yes*, your form will be submitted to CDIAC. Lastly, you will have the option to print a PDF of your filing.

Slide 31 – Draw on Reserve/Default/Replenishment Report

25:42

NOVA EDWARDS: In Part II, the Draw on Reserve/Default/Replenishment Report, we will take a look at the overview of the report, discuss the information collected, review the online submittal process.

Slide 32 – Overview of Draw of Reserve/Default/Replenishment Report

26:05

NOVA EDWARDS: A Draw on Reserve/Default/Replenishment Report must be submitted within 10 days of the reportable event. If an agency issued a Marks-Roos bond or if an agency's issues were purchased with the proceeds of Marks-Roos bond and either fails to pay principal and interest on any scheduled payment date or funds are withdrawn from a reserve fund to pay principal and interest.

Also, beginning in 2011 an agency can submit this report to CDIAC to voluntarily disclose a replenishment of a previous draw on reserve.

However, it is imperative that all authorities and local obligors that issue bonds or receive loans, regardless of when sold, must report a draw on reserve or default.

Slide 33 – Information Collected in the Draw on Reserve/Default/Replenishment Report **27:05**

NOVA EDWARDS: The information collected in the Draw on Reserve/Default/Replenishment Report is as follows: the authority or local obligation's issue name, bond issue title and original date of sale, project name, type of event, whether it's default, draw on reserve, replenishment, date of event, amount of default, draw on reserve, or replenishment, and contact information.

Issuers have the option to include a statement of explanation containing information pertinent to the draw on reserve fund, default or replenishment, such as how the agency expects to address the issue, how the replenishment was accomplished, etc.

Slide 34 – Online Submittal **28:01**

NOVA EDWARDS: To file your default, draw on reserve, or replenishment online, please go to our website listed on this slide (www.treasurer.ca.gov/cdiac/reporting.asp). There, you will find the link to submit your report. In addition, there are filing instructions that you can refer to.

Slide 35 – Login **28:25**

NOVA EDWARDS: Once you click on the link to submit your report, you will be brought to the login screen, where you'll be asked to provide the CDIAC number of your filing as well as the password. Both the CDIAC number and password were previously provided when the Report of Proposed Debt Issuance was submitted to CDIAC. In addition, you will need to enter the fiscal year for which you are submitting your report. Once logged in you'll be brought to the online form.

Slide 36 – Online Form, Heading and Navigation Bar **29:00**

NOVA EDWARDS: As with the previous forms, the Draw on Reserve/Default/Replenishment form has a navigation bar to the right, which has the names of the different sections of the report. The navigation bar will move as you scroll up or down so that you can click on any of the fields to take you to that section of the report.

This form has four sections: *Issuer, Filing Reports, Comments, Contact Information*

The navigation bar shows five sections instead of four, so we will correct that issue.

Slide 37 – Form Type and Auto-Filled Issuer Information**29:39**

NOVA EDWARDS: The information fields for the Issuer section: *CDIAC number, Issuer, Bond Issue Title, Project Name* and *Actual Sale Date* are all pre-populated.

Slide 38 – Filing Reports and Comments**30:00**

NOVA EDWARDS: The *Filing Reports* section requires that you to indicate the reason for the filing; a draw on reserve, default or voluntarily reporting the replenishment of a draw on reserve. For any of the options, please enter the date the event occurred.

If there was a draw on reserve, enter the amount. If there was a default, enter the amount in this section.

And if you're voluntarily reporting a replenishment, enter the amount in the *Amount of Replenishment* section.

If you have any comments, please enter them in the *Comments* section.

Slide 39 – Contact Information, Validate, and Submit**30:44**

NOVA EDWARDS: *Contact Information* section requires the name of the filer and where the filer can be contacted. The *Date of the Report* will be auto-filled with the filing date.

Next, click on the *Validate Form* button. A *Confirm Data* button will appear under the *Validate Form* button and you will be given a preview of the information you entered with an option to select *Yes* to submit the form or *No* to edit the form. Once you select *Yes*, your form will be submitted to CDIAC. Lastly, you will have the option to print a PDF of your filing.

Slide 40 – Frequently Asked Questions**31:29**

NOVA EDWARDS: In part three, we will address questions that CDIAC staff commonly receives and we will answer questions that you may have.

If you would like to submit a question, please use the Questions Box in your control panel.

Slide 41 – Common Questions Received by CDIAC Staff**31:49**

NOVA EDWARDS: The questions we frequently receive are on the Teeter Plan, reporting period to be used for delinquent parcel information, which is for LOBs [local obligors] only and what date should be used when an issue is retired.

In response on how to respond to the Teeter Plan question, based on the Teeter Plan Bond Law of 1994 (California Government Code Section 54773), a Teeter Plan is an alternative method for the distribution of secured property taxes. The Teeter Plan question is found in Section III of the Yearly Fiscal Status Reports for the Authority Issue and Local Obligors. If your county has a Teeter Plan and if your agency participates in the Teeter Plan, then you would select *Yes* otherwise, select *No*.

In response to what reporting period local obligors should use for delinquent parcel information in Section III, the *Delinquent Parcel Information* must come from the tax roll for that reporting period, meaning the fiscal year for which the Yearly Fiscal Status Report is submitted.

And in response to our last frequently asked question, “What Date Should Be Used When an Issue Is Retired?”. If an issue is marked as “Retired” in Section IV, its redemption/maturity date must be during the fiscal year for which the YSFR is submitted. If the retired date is in the next fiscal year then submit a final Marks-Roos Yearly Fiscal Status Report for the next fiscal year.

Now we will accept questions from the audience. Please use the Question Box in your control panel to submit your questions.

Slide 42 – Audience Q&A

34:00

TARA DUNN: Thank you, Nova. Before we get to any additional question that's come in I would like to remind everyone that the slides for today's presentation are available in PDF form in the Handout section of your webinar control panel and posted on our website.

And now you would like to take the opportunity to introduce Tanya O' Neal and Catherine Walline. Both are analysts in the Data Collection and Analysis Unit that assist with the Marks-Roos Yearly Fiscal Status Reports. Together they have over 29 of experience as a part of CDIAC's team. They are our subject matter experts and will assist with answering technical questions that are submitted.

We have received a number of questions and we're going to start off with a few and give us some time to give others time to ask questions. We've had a few come in. To start us off, our first question is with regard to fees such as rebate and trustee fees, does it matter if the authority pays for these fees or if the city, as the local obligor, pays for these fees and I'm going to have Catherine answer this question.

CATHERINE WALLINE: Yes, Tara. Most of the time the authority pays the fees for the local obligor and the local obligor pays the fee back to the authority.

TARA DUNN: Our second question is “If the Marks-Roos issue is a lease agreement that's considered debt, versus a purchase of bond issue, is the original loan amount of the principle of the lease payments?” Tanya, would you like to answer that?

TANYA O'NEIL: Sure, thank you, Tara. For the authority reports, Section B, Number 3 that's where the principal amount will be the same until it matures and Number 4, *Administrative Fees*, is where you would enter your yearly fees if you have any yearly fees.

TARA DUNN: Thank you, Tanya. Our third question, I'm going to combine a little bit, the question that came in with registration was “Are the fees charged to the local agency the interest paid and in the fiscal year versus the total?” and then we had a follow up question, “If the authority does not charge the local obligor an administration fee, can this be left blank?” Catherine, do you want to take that one?

CATHERINE WALLINE: Yes, definitely. We're actually referring to Slide 18 in the PDF in the handouts and the administrative fee is what the authority charges to handle the Marks-Roos debt each year that would be field number four. We prefer and would really appreciate your filling out 'B - Local Obligor' whether or not you charge an administration fee because it gives us the list of the local obligors that are attached to the authority, that's part of our records, so please do fill out that information even if the administration fee charged is zero.

TARA DUNN: They should just enter zero.

CATHERINE WALLINE: Yes.

TARA DUNN: Okay. So don't leave it blank. Put a zero.

CHERINE WALLINE: Yes.

TARA DUNN: Okay, our next question is "Does the original principle amount remain the same each year while only the fees charged to a local obligor in a fiscal year change?" - I think this is also referring to Slide 18. Tanya, do you want to take that one?

TANYA O'NEIL: The principal amount will not change for Section Three and the administrative fee will change. Sometimes it will be zero and sometimes it will have a fee.

TARA DUNN: Okay. Looking at some more of the questions here. Here is another one. "On the authority report, does the question pertain to the joint powers authority/local obligor that – hang on let me go back – it is Section 3D of the authority report. Does the question pertain to the joint powers authority local obligor that participates in the county's Teeter Plan or is it whether the county has a Teeter Plan?"

Catherine do you want to take that one? And then maybe Tanya if you have anything to add?

CATHERINE WALLINE: Okay. The Teeter Plan is a question that is answered – if it dependent on whether or not the county participates in the Teeter Plan and if your county does participate in the Teeter Plan, then you always answer 'yes' to it. If for some reason, we have had a few organizations that have opted out of the Teeter Plan, then you may change your answer to 'no,' but if you do that, it is important that you send us documentation to support it. Was there something more, Tara?

TARA DUNN: No, I think that's good. Tanya do you have anything to add?

TANYA O'NEIL: No, that was perfect.

TARA DUNN: Great. Okay here is another question. "How do we know our financing is a Marks-Roos bond required to file a Marks-Roos report or all financings subject to Marks-Roos?" Nova, do you want to take that one?

NOVA EDWARDS: Sure, if a Mark-Roos bond was issued and the user proceeds from that bond issue to acquire or purchase or transfer funds to a local obligor, then they would have to file a Yearly Fiscal Status Report.

TARA DUNN: Okay. Here is another one. "Referring to Section 3, *Delinquent Reporting Information*, there is no property tax assessment special tax associated with an issue debt is paid by leased payment made by local obligor to the authority."

I'm not sure what the question is in there does that make sense to either of you, Tanya or Catherine?

TANYA O'NEIL: Yes. On the local obligor, the Section III, if doesn't apply to your agency then you would just go ahead and select 'no', and put in the fiscal year that you are reporting June 30, the fiscal year, and the other fields would be zero.

TARA DUNN: Great. All right a question has to do with, "Does a CDIAC report need to be submitted if there were bond calls for the issue?" So I would assume that would be call redemption or something like that. Catherine you want to answer that?

CATHERINE WALLINE: My understanding is that they would have done an optional call date as opposed to the full maturity date of the issue. So, no, it doesn't need to be. If it is a Marks-Roos issue, then that information part will become part of your Marks-Roos Yearly Fiscal Status Report that you provide for that year and you'll fill out the retirement information. If you choose a date for the retirement, it needs to be backed up by your documentation.

TANYA O'NEIL: That is correct and I want to piggyback on that. We usually would go to EMMA to get the information that the agency has submitted to EMMA as our backup to verify those dates.

CATHERINE WALLINE: And it would be very helpful, to piggyback on what Tanya said, if you actually sent that to us at the time of the submission to the CDIAC issuance mailbox. That would save us a lot of time and be very helpful.

TARA DUNN: Nice. A similar question, "If bonds are called early using excess funds, would the correct option in Section Four be other?"

CATHERINE WALLINE: Yes and just put that explanation in *Other* in the *Comments Section*.

TARA DUNN: Here is an interesting question. "If the sale date fell before June 30th but the proceeds have not been received until beginning in July for the closing date, will we still need to report as of June 30th?" Whereas their financial report, their CAFR, will be reported in the subsequent fiscal year.

CATHERINE WALLINE: You would be submitted two Yearly Fiscal Status Reports. What actually happened in the current fiscal year, and when it is actually paid off in the following fiscal year.

TARA DUNN: Okay. "If any of the auto-filled or auto-populated information is incorrect who should they contact?"

TANYA O'NEIL: You can send an e-mail to our CDIAC issuance box or you can send an email to Catherine or myself. And we would prefer you to fill out the PDF copy that you made for yourself and forward that to us and we'll be more than happy to update the database.

TARA DUNN: Another question, “If staff have retired, can they request CDIAC login information that was previously sent to somebody else?”

CATHERINE WALLINE: If the person is no longer on staff with the organization that was submitting the reports, then the issuer can definitely request a name change and provide the name change.

Whoever submits the report, they become the person that gets the courtesy reminder. So if you are aware of the name change prior to August, it is very important to get that information to us at that point.

And afterwards if you have not heard from us and you know you’re supposed to be filing, definitely contact us and we’ll help you figure it out.

TARA DUNN: They should reference the CDIAC numbers if they can, correct?

CATHERINE WALLINE: Yes. That would be very helpful.

TARA DUNN: “If they’ve received a CDIAC letter indicates to file a report for both authority and obligor, will both reports need to be filled out?”

TANYA O’NEIL: Yes, if it involves the authority and the local obligor. Yes, we will need two reports.

TARA DUNN: It looks like that is all of the questions we’ve received so far. If anyone else has any additional questions, please feel free to email us your questions and, of course, our staff will return with an answer, a reply.

And with no other questions left, I’d like to thank Nova, Tanya, and Catherine for putting together this thorough tutorial and Megan Batty for designing our graphics and to also thank our CDIAC education team Karen McMillen, Angela Ayala for helping to facilitate and stream line this presentation. Great job ladies.

Slide 43 – Thank You

47:14

TARA DUNN: And before we go, I would like to recommend everyone to please stay in contact with CDIAC.

Slide 44 – Connect with CDIAC

47:25

TARA DUNN: Not surprisingly, our Education and Outreach Unit has been really busy putting together topical programming including our recent webinars on how to use Tax and Revenue Anticipation Notes to address a local agency’s cash flow problems and how to navigate investor disclosures during the COVID-19 crisis. In addition, two weeks ago, we presented a California Local Public Finance Virtual Forum in collaboration with the California Society of Municipal Finance Officers in which the California State Treasurer, Fiona Ma, discussed and answered questions about the state of public finance in California. Each of these programs are available for replay on CDIAC’s website.

As for upcoming programming, two weeks from now we will be presenting a two-part series called *Municipal Debt Issuance Fundamentals*. The first session is scheduled for Wednesday, September 9th, covering the path to issuance starting with the decision to issue debt and then follow the process through the sale date. The second session will be presented the following Wednesday, on September 16th, and is called, *You Sold Your Bonds, Now What?* This second part will focus on what occurs from the time of the sale through the closing and the issuer's responsibility from the day after the closing through the time when the bond is repaid or refunded.

So we hope that those of you who may be new to the municipal debt issuance will join us for both of those sessions. For those of you listening, if you have clients that are public agencies or elected officials please feel free to pass this information along if you think it would be helpful. If you do plan to join us please note that you will need to register for each session separately.

There are many ways to reach us; your ideas are always welcome. Please let us know how we can help you. Thank you to all of you who joined us this morning and we look forward to you joining us for future programming. This ends our broadcast. So along, stay well, and have a great day everyone.