

**California Debt and Investment Advisory Commission**  
**Webinar Transcript**  
***Mello-Roos & Marks-Roos Yearly Fiscal Status Report Tutorial***  
***July 27, 2023***

With the annual statutory deadline approaching on October 30th, CDIAC is offering filers a step-by-step walkthrough for submitting the Mello-Roos and Marks-Roos Yearly Fiscal Status Reports through our new 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 these reports.

[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.]

**SLIDE 1: MELLO-ROOS & MARKS-ROOS YEARLY FISCAL STATUS REPORT TUTORIAL** **00:00**

**TARA DUNN:** Hello everyone and thank you for joining us for this tutorial on the Mello-Roos and Marks-Roos yearly fiscal status reports. My name is Tara Dunn. I am the Research Data Manager here at CDIAC. For this tutorial, I will be presenting an overview of the yearly fiscal status reports and a walkthrough of how to submit these ongoing annual reports using CDIAC's new online platform called the Data Portal. After the walkthrough, I will be joined by Jeff Field, the manager of our data collection and analysis unit to answer any questions.

**SLIDE 2: HOUSEKEEPING** **00:46**

**TARA DUNN:** We encourage you to submit questions 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 Q and A session near the end of the program. Access to live captioning is available during this presentation at the address you see on this slide. The link is also posted in the chat section at the bottom of your control panel. CDIAC makes all of our webinars available for replay. This tutorial will be available in two places. The first is our learning management system called the ED Portal, and the second place will be on our reporting debt issuance webpage as a link to YouTube. All registrants will receive these web links via email once they are completed, usually within a couple of weeks. If you encounter any technical issues, please call, GoToWebinars, toll free number (877)-582-7011 or go online to [support.goto.com/webinar](https://support.goto.com/webinar). Certificates of attendance will be emailed to those who participate in the webinar today. To be eligible for a certificate, you must have personally registered and have remained logged in for 70 percent of the webinar. If you meet those two requirements, you'll receive a certificate within a couple of weeks.

**SLIDE 3: OVERVIEW** **02:13**

**TARA DUNN:** During this presentation, I will give an overview of the different yearly fiscal status reports, the reportable issues, the timeline for reporting, some tips about working in the data portal, and then I'll start the walkthroughs. After the tutorial, we will address questions during the live Q and A session.

**SLIDE 4: MELLO-ROOS****02:36**

**TARA DUNN:** I'll first start with an overview of the reporting requirements for Mello-Roos bonds or debt. The legislative requirements for filing annual reports with CDIAC for debt issued under the Mello-Roos Community Facilities Act of 1982 were established in government code section 53359.5, after the passage of SB1464 in 1992. This section contains requirements for providing notice to CDIAC of the sale of any debt issued under the Mello-Roos Act, as well as ongoing requirements for annual reporting for Mello-Roos debts sold on or after January 1st, 1993. The ongoing annual reporting for Mello-Roos's debt is required to be submitted no later than October 30th every year until the final maturity of the debt. In addition, there is also an ongoing requirement to notify CDIAC if there is a default or a draw on reserve to pay debt service on Mello-Roos debt. In 2017, CDIAC established regulations about reporting for Mello-Roos bonds covering definitions, Mello-Roos's yearly fiscal status report requirements, Mello-Roos's draw on reserve default report requirements, and the method of submission to CDIAC. The regulations can be accessed from our reporting debt issuance webpage.

**SLIDE 5: MARKS-ROOS****04:05**

**TARA DUNN:** Moving on to Marks-Roos bonds, the legislative requirements for reporting on bonds issued under the Marks-Roos Local Bond Pooling Act of 1985 were established in government code section 6599.1 after the passage of SB 1275 in 1995. This section contains requirements for providing notice to CDIAC of the sale of any debt issued under the Marks-Roos Local Bond Pooling Act, as well as ongoing requirements for annual reporting for Marks-Roos bonds sold on or after January 1, 1996. The ongoing annual reporting for Marks-Roos bonds is required to be submitted no later than October 30<sup>th</sup> until the final maturity of the bonds. In addition, there is also an ongoing requirement to notify CDIAC of failure to pay principal and interest due on any scheduled payment date or if funds are withdrawn from a reserve fund to pay principal and interest. As I mentioned before, CDIAC established regulations in 2017, which include a section about reporting from Marks-Roos bonds that covers definitions, Marks-Roos yearly fiscal status report requirements, Marks-Roos drawn and reserve default report requirements, and the method of submission to CDIAC. Again, CDIAC'S regulations can be accessed from our reporting debt issuance webpage report.

**SLIDE 6 : REPORTABLE ISSUES****5:37**

**TARA DUNN:** This slide shows the number of reportable issues for 2021, 2022 and 2023 for each type of yearly fiscal status report. The reportable issues have increased every year for reporting period ending June 30th, 2023. There are approximately 1,750 Mello-Roos issues, 1100 Marks-Roos Authority issues, and 1,975 Marks-Roos. Local Obligor issues that have been flagged as reportable in the data portal and are due to be filed by October 30th, 2023.

**SLIDE 7: TIMELINE FOR REPORTING****6:20**

**TARA DUNN:** Here are the key dates and the timeline for reporting to keep in mind, debt issued under the Mello-Roos Act is reportable. If the debt was sold on or after January 1st, 1993, debt issued under the Marks-Roos local bond pooling act is reportable. If the debt was sold on or after January 1st, 1996. The next four bullets apply to both Mello-Roos and Marks-Roos debt. The reporting period for both covers July 1st through June 30th, yearly fiscal status reports are required to be submitted by October 30th. The data portal will automatically display ongoing reportable debt issues with the status of pending on the dashboard every July 1st for debt issued within the reporting period, only those with a settlement or closing date on or before June 30th will appear as pending and ready to be filed. CDIAC posts a list of reportable issues for each ongoing annual report as a spreadsheet for the current reporting period. These lists are usually posted by the end of August on our reporting debt issuance webpage.

#### SLIDE 8: DATA PORTAL TIPS

7:37

**TARA DUNN:** The data portal web address is [dataportal.treasurer.ca.gov](http://dataportal.treasurer.ca.gov), and there are links to the data portal from CDIAC homepage as well as our reporting debt issuance webpage. Additional guides and tutorials are posted on our reporting debt issuance webpage. If you are new to using the data portal, I recommend reviewing the guides and watching the annual debt transparency report tutorial. Each ongoing annual report is based on the data submitted to us in the report of final sale. If you have newly issued debt, make sure the data contained in the report of final sale is accurate and complete before you file any of your ongoing annual reports. If you do notice any errors, you can edit the report of final sale before starting an ongoing annual report.

#### SLIDE 9: CDIAC DATA PORTAL

8:33

**TARA DUNN:** On the data portal's homepage, click the sign in button and log in with your email and password. Once your landing page appears, you should see the email you use to log in in the upper right-hand corner with a triangle next to it. If you click the triangle, you can edit your profile or log out of the data portal. There are three main sections to this landing page: the issuer selection dropdown menu, the associated issuers on this account, and authorized filers. Once an issuer is selected, the issuers that show up in the dropdown menu are the same issuers in the associated issuers on this account section, the status shows approved, but you can always add additional issuers if there's one missing that you forgot or have a new client, etc. Once you click *Add Issuer*, you can type in the search box to find the issuer you're looking for and click *Save* the issuer and the issuer association will be added to the list as pending, and an email notification is sent to the issuer contacts for that specific issuer as well as to CIDIAC. CIDIAC will always defer to the issuer to approve new filers or associated issuers on their account.

To show you the Mello-Roos Yearly Fiscal Status Report, you must first start by selecting an issuer. I have a few community facilities districts as issuers that I can choose. Once you click *Submit*, the dashboard changes to show quick actions, the filters for selecting the kind of report you wish to view. Again, the associated issuers on this account and now the filers for this specific issuer that I've selected will show up. Going back to the top, the filters I want to select to bring up the Mello-Roos report are *Ongoing Annual Reports*, *Mello-Roos* from the dropdown menu, and then *New and Pending Reports*. Once I do this, the Mello-Roos reports that need to be filed will show up in the dashboard in this specific test data. All of

these Mello-Roos reports are past due because it's been longer than 12 months since the reporting year end. The other fields in this view show information related to the specific debt issues that'll help you identify which reports you're looking for, including the CDIAC number, the issue name, the issuer name, the project name, the actual sale date, and the original principal amount. In order to begin the Mello-Roos yearly fiscal status report, you must click the *Action* button and choose *Report MLR*. Once you've done that, you will initiate the report by verifying the CDIAC number is correct, as well as the reporting year end. If it is not correct, you can always go back to the dashboard and choose a different CDIAC number. To begin, I'm going to click *Submit* and this will bring up an acknowledgement screen about the compliance with California state law and the specific government code section related to Mello-Roos's reporting. Once you click *Acknowledge* and submit a draft of the report, we'll be created and then will now display in your dashboard as draft at any time you can print a PDF of this draft to save for your records.

The Mello-Roos yearly fiscal status report has 11 sections that are represented by icons at the top. If you click the icons, you can jump to that section of the report. Starting from the top with the *Issuance Section*, there are pre-populated fields from the report of final sale. These are the issuer, the project name, the issue name, the actual sale date, the original principal amount, and the settlement date. Any field that has a red asterisk in front of it is required to be answered. All of the fields that are required are basically requirements from the government code section, so reserve fund minimum balance must be answered, yes or no. If you answer *yes*, you must put in what the reserve fund minimum balance amount is, but in this case, I'll answer *no* for this particular CDIAC number. And then there's a field for credit rating. There are three fields related to the credit rating. The first one pre-populates from the report of final sale. In this case, the credit rating was not rated. There was no rating and there was no change to that on the prior Mello-Roos last, yearly fiscal status report. In this case, this is the second filing that I'm doing for this test CDIAC number, but the required field you must answer is in the third credit rating section, which is our values, same as previously reported. In this case, yes, there has been no change and it should automatically pull in what the prior rating was, which in this case is not rated, so I want to make sure I click *Save and Next*. If for some reason you did need to put in a rating and use, you know, it has changed, you would click -- make sure that this is no, and then indicate what type of rating it is. So if this was rated, you could plug in A for S and P, Fitch or Moody's, or if you had a different rating agency, you could type it in and also add in a rating. But in this case, everything's the same. So we are going to click *yes* and then hit *Save and Next* – always click *Save and Next* for each of these sections.

The next section is the fund balance. This is capturing the principal amount of the bonds. In this case, there are a couple of resource fields here. The prior Mello-Roos Yearly Fiscal Status Report, if you click on that, you should see whatever the balances were that had been reported in this case. The prior year had no principal payments. This is the same amount as the original principal amount. There was nothing reported in the bond reserve fund, nothing for capitalized interest and nothing for the construction fund. So if I click *Close*, we'll put that there was a payment to the principal. So now the outstanding is 24 million. We'll leave these as zero and let me see what the ADTR -- I've done one on this one, I have not done an ADTR I see I need to catch up, we'll click *Save and Next*. The assessed value information must have a date. I'll put in a date for the reporting period that I'm in, which is, January 1st, 2021. You know, it is whatever it is. There is a note here about clicking, whether it's from appraisal property, we want you only to use that if it's the first year or before an annual taxable billing has commenced. So for the most part, it's

usually from an equalized tax role. And then please put in an amount related to the district. The community facilities district has certain parcels in it. That's the amount that we're looking for, so just be mindful of that. Click *Save and Next*. The tax collection information relates to the special taxes due annually. A lot of times there may be a separate report that has been prepared by a third-party filer. So we really want to know like what is the amount of the special tax that should have been collected for that particular reporting year, in this case, 2021. So I'm just going to put in a number and let's say it's 4 million, and then how much of it was unpaid. In this case, we'll say 10,000 of it was unpaid. And then whether or not this particular agency participates in the county's teeter plan, and we will say, *yes*, click *Save and Next*.

For delinquent total reporting, this also requires a date. So whatever date that information is reported, we would like to have that input. I'll say that this one was 7/15/2021. And then we'll say there were 10 delinquent parcels. And the amount of special taxes, I will say matches what I already said as unspent or not unspent, unpaid, appear unpaid special taxes, which was 10,000. These don't necessarily have to match, but a lot of times they do. We tend to look at that and just to see if there's any change in that, I'll click *Save and Next*, the next section also relates to the delinquency reporting. There's specific parcel information that must be uploaded, and you'll see that in this green area, there's a number of bullets here. You must upload the current tax roll delinquent parcel detail report that states the number of parcels. So in the prior tab I mentioned there were 10 parcels that were delinquent. So the detail report that must be uploaded must include those parcels and the details related to that, specifically their special tax payments and the amount that each parcel is delinquent and, and all of that. So when you're in this section, make sure you click *Choose File* and that you click the correct PDF document that you would like to upload and make sure you click the *Upload* button. Once you've done that, it'll automatically appear under the document type, document name, and the date that it was uploaded. If for some reason the file is wrong, you can delete it and then go through the process to re-upload the correct file, then click *Save and Next*. The next section is specifically related to foreclosure information. If you click on the add foreclosure information button, it'll ask for the date, the foreclosure, and commenced. The number of foreclosure parcels -- I see we have a typo here -- I'll have to fix that. In this case, I will add a couple, just so you can see. We'll say that there was one in March of the reporting year and there were a couple with tax owed. And I'll click *Save*. And then let's say there was another one in May reporting year with one and the amount on that tax, and I'll click *Save*. So you are able to save, multiple foreclosure information just depending on the date the foreclosure commenced and add as many as you need to and then click *Save and Next*.

The *Retired Issues* section is where you can report whether the issue itself has been matured, redeemed, or for some other reason is no longer outstanding. The only note here is that if you do choose a matured redeemed entirely or other the date that you input for that must be within the reporting period. So if I were to report that this particular debt issue matured and I tried to put in a date that was after June 30, 2021, the data portal will not allow me to do that. So if I put in *July 1, 2021* and click *Save and Next*, I will get an error message that tells me the date must fall within the filing year. So you won't be able to actually report the maturity until the next report that you file for Mello-Roos. So in this case, I'm going to select *Not Retired* and click *Save and Next*. The filing contact information in this section pre-populates from whoever is logged in at the time and in this specific report. So my information is showing up as a filer and the contact information will be used if I were the one to actually submit the form at the end. However, if

you wanted to have somebody else's contact information or different contact information captured here, you cannot edit these *Read Only* fields. However, a different contact, whoever it is that you would like to have their information captured, or if you have a general email that you've set up and have that information captured, you must log into the data portal and navigate to this draft report before submitting it to CDIAC. That is one way you could do it, but I will save this as it is.

And then the next section is *Comments*; let's say you did have information that you wanted to share with CDIAC that the debt issue itself will be matured and you know exactly what date, or it will be redeemed or some other date that you want to make us aware of or any other information, you can put that in the comments and we encourage you to do that so that we're aware of the information and we will also see it in our review.

And then the last section is the *Review* section. This is where you will get to the *Validate and Submit* button. It should pre-populate all of the fields that were entered above, and you want to make sure that the information that you input is accurate. If you see any discrepancy, you can always go back up to the sections above and edit it, or you can always start all over. But if it's all good, you can click *Validate and Submit*, or you can leave it as is if you're not finished with it and return to the report at a later time because it will still show up in your dashboard as draft. So if I were to click on this back to dashboard, my Mello-Roos reports are still here for this particular issuer, this CFD, here's the draft that I was working on. And so it's not submitted yet. So if I wanted somebody else to come in and submit the report, they can do that. Or if I'm ready to submit it, I can go ahead and click *Edit* and then just skip down to the *Review* section by clicking on the icon here and clicking *Validate and Submit* at the bottom. So it should pop up, the statuses showing as *Submitted*, the date, and then, of course, the CDIAC number and all of the fields we just looked at and the review section will populate here. And if you're back on the dashboard and you scroll back up to the top, the *Show History* section has now captured this submitted PDF, and you will be able to view it here. And once CDIAC has completed its review, a version of that PDF will be captured here as well with the date. The status will show as 'reviewed' and whoever the reviewer was.

And that is it for Mello-Roos. I will click on the *CDIAC* button here. This is a quick way to go back to your dashboard and we'll continue on with the Marks-Roos.

## SLIDE 10: MARKS-ROOS AUTHORITY

27:33

**TARA DUNN:** Now that we're back at the dashboard, I want to show you the associations tab that you can use to look at Marks-Roos Local Bond Pooling Associations that are in the Data Portal. When you click on this *Associations* tab, you will see Marks-Roos Authority Local Obligor Association. This is a way that you can double check the authority and the linked Local Obligor debt associated with it. You don't have to have the whole name, but it's helpful if you at least narrow it down. I'll use my fake Pomodoro issuers and click *Go*, and it should pull up all of the Pomodoro public financing authorities that have been tagged as a *Marks-Roos Authority* in the Data Portal on either the Report of Proposed or the Report of Final Sale. And then by clicking on one of these below it, you will see the linked Local Obligor debt and their respective CDIAC numbers, the issuer names, which will be important for selecting later on – so you can make sure that you are grabbing the right issuers in order to do the correct Marks-Roos, either authority or Local

Obligor reports. This is available on any user's dashboard and it's just information you can look at. It's not specific to the issuers that are approved on your account. It's just there for you and available. You can also search by CDIAC number.

So if I know this number already, then you can just plug it in, but it has to be the parent or the Marks-Roos authority number. In order to pull up specifics, if you have a Local Obligor CDIAC number, it will not work. So back to the dashboard, we're going to start with a Marks-Roos Yearly Fiscal Status Report. I'm going to choose my *Public Financing Authority* and click *Submit* down on the dashboard – I will choose my filters. Similar to Mello-Roos, we want ongoing annual reports, but this time I will select *Marks-Roos Authority* and then *New and Pending* and click *Go*. And here are all of my reports that are due. I'm going to choose the one I was just looking at, which was this 2023 number, and I will choose the *Action* button. And the action to choose to create the report is *Report MKR-Off*. And once you click that, you'll come to the landing page similar to the Mello-Roos, where you are confirming the CDIAC number and the reporting year, June 30, 2022 in this case. And once I click *Submit*, the acknowledgement screen will pop up. That is assuring compliance with California state law related to Marks bonds and the government code statute. I will click *Acknowledge* and then *Submit*. And this will create the draft report, which I can save and navigate to later and finish if I like.

Once again, the sections are listed on the top with icons. You can click on any one of them to skip to that section or just start from the top. Again, these are pre-populated fields from the report of final sale. So the main debt issue information, comes in as far as the issuer name, the issue name, project name, actual sale date, and settlement date. And there is also this senior issue, subordinate issue that pre-populates, with yes or no. And that is also pulled in from the report of final sale. In that case, the source of repayment is where the senior and subordinate links are contained.

Scrolling down, there is another section here that is important. This total issuance costs is reportable on the first report and then it also pulls in a read-only file. Our field of the total cost of issuance that was reported on the report of final sale. So this is a reference item for you. It's only required on the very first Mello-Roos Yearly Fiscal Status Report and so there is where you can find this information. After that, it's a 'read only' field you cannot fill it in. So I've already filed one report for the CDIAC number, so it is not available for me to edit. Moving on, there's a question about reserve fund established with the proceeds of this debt issue. It's a yes or no question. If you answer yes, you are required to fill in a reserve fund minimum balance amount. If you leave it tagged as no you can still fill in a minimum balance amount, but it's not required. I'm going to click *Save and Next* the fund balances are the principal amount of the bonds outstanding. That's the primary field we are looking for. But if you do have reserves or a capitalized interest fund, those fields must also be added to an amount. And in this case, I will go ahead and say that the outstanding amount on this particular issue is 9,000. Assuming there'd been a payment, it's a big payment. The original principal amount was 10 million, so I'm going to put the outstanding to be 9 million. I will take a look at what was filed the prior year by clicking on *Fund Balances* from Marks-Roos Authority yearly submissions. And here are the balances that I have from the prior report which I can use as a reference that shows the reporting period, the principal amount of the bonds outstanding, the cash reserve amount, the capitalized interest fund balance, and the surety bond reserve amount. This year I'm going to leave these as zero and I will type zero in each field and then click *Save and Next* -- professional

services fees are required to be added. You need to choose what they were for. There's a number of fields here; some of which relate to actual fees and some that don't. So choose the ones that work. Admin is one. You might have, I don't know, arbitrage calculation. You can choose that and then plug in the fee and click *Save*. You can plug in as many fees as you like. In fact, I'll go ahead and add an arbitrage calculation fee here, and we'll say that was 500 and click *Save* and those will tally in the section. I'll click *Save and Next* moving on. Information related to the Local Obligors is also required. This is specifically the admin fee, if there is any that has been charged to the Local Obligors. To add the Local Obligors, you click the button, add Local Obligor. The linked obligors are in the dropdown menu. You can choose and add the fees that have been charged to each. So I will add both Local Obligors and put in a \$1000s as the admin fee. So just depending on how many obligors just is, how many inputs there will be. And then click *Save and Next*, investment contract information is required under the statute. These, not all, Marks-Roos local bond pools have investment contracts. So if there is not one, you can leave this blank. But generally you have to put in the final maturity date of the contract, any commission or fee for the contract and any interest earnings that are current and click *Save and Next* and similar to the Mello-Roos, the next section is retired issues.

Once again, you can only input dates for matured redeemed entirely or other if that date falls within the reporting year you are filing for. And if it is outside of that date range, you will get an error and you must not answer with that date. Once again, if you would like to put that information in the comments section, if it's a future date or if there was some sort of an error, let us know and that'll help us in our review. So I will leave this particular issue as not retired and click *Save and Next* the filing contact pre-populates with the person who is logged into data portal working on this report. It'll stay that way until it is submitted. Well actually, let me say, it will only stay as that person's filing contact if they are the ones that submit the report. If it is a draft and somebody else comes in and submits it later after a review, or if you wanted somebody else's name on the report, then whoever submits the report to CDIAC will be captured in this section. So I'll click *Save and Next*. Here's the comments field I just mentioned a moment ago, similar to the Mello-Roos comments field; I will not put any comments in. And then the review section again populates all the fields that were input into the report. You can save this and come back later, or you can go ahead and click *Validate and Submit* at the bottom if you're ready to submit it, which I will do. A PDF of the report automatically pops up. It shows the CDIAC number, the status that it's submitted, and the date that it was submitted. That is for your records. And it will also show up in the show history at the top and who it was that created it. So I will click *Close*. And that is it for the Marks-Roos Authority Yearly Fiscal Status Report. I'm going to click on my dashboard and next I'll show you the Local Obligor for the Marks-Roos Local Obligor Yearly Fiscal Status Report. Once again, back at the dashboard.

Since I've already looked at the associations for some of the parents that I know I have, I'm going to choose one of my labs to submit those reports – in this case, a CFDA I have from 2000. So once I choose the issuer, I'll click *Ongoing Annual Reports* again, but this time I will choose *Marks-Roos Local Obligor* from the dropdown menu, and then *New and Pending Reports* and click *Go*. From what I saw on the associations, this particular CDIAC number is related to the parent, the Marks-Roos Authority Yearly Fiscal Status Report that I just filed, so I will do this one next. With the action button, I will choose *Report MKR-LO'* in order to start the report, and I will verify the CDIAC number and the fiscal year end date of June 30, 2022. And then

click *Submit*. The acknowledgement will pop up related to the government code section and compliance with California State law. I will click *Acknowledge and Submit*.

Now the draft has been started and will show up in my dashboard. This particular yearly fiscal status report has a few less fields and just like the other reports, the icons on the top will navigate you through the sections if you wish to jump ahead. So starting at the top, once again, issuance information is pre-populated from the Report of Final Sale, the same fields that I mentioned before. One note, there is a date of bond issue/loans. This might be -- this is essentially, if it is, you know, whatever the actual sale date was in the report of final sale for the Local Obligor will populate here. So even though it says "date of bond issue/loans," it's really the actual sale date pre-populating from the report of final sale for this specific CDIAC number. Once again, the settlement date is showing we are putting the settlement date on these yearly fiscal and ongoing annual reports, including then Annual Debt Transparency Report because in Data Portal, it's really looking at the settlement date for when which debt issues should fall within a certain reporting year. So if the settlement date is within the reporting period of July 1<sup>st</sup> through June 30<sup>th</sup>, then it will appear on the dashboard as *pending*. But if the settlement date is outside in the future or past the June 30<sup>th</sup> date of that reporting year, it won't be reportable until the next reporting year. Again, total issuance costs shows up on the Local Obligor Yearly Fiscal Status Report because issuers can choose on which report these costs show up. If they only want the costs to show up at the authority level, then they should be reported there specifically on the report of final sale. And so it'll pre-populate to that particular issue that CDIAC number for the for the authority. However, if those costs are split up amongst the Local Obligors, then those costs can be reported on the Report of Final Sale for those Local Obligors and then subsequently populate into this yearly fiscal status report.

For the Local Obligor CDIAC number, it is only required for the very first yearly fiscal status report that's filed on that specific debt issue. So in this case, this is not the first issue. As you can see, there is a \$0 amount for the cost of issuance from the report of final sale. Therefore, everything was reported at the authority level which was on the prior walkthrough I just did. Scrolling down, the name of the authority is pre-populated here so it will show the actual sale date of those authority bonds is listed here. Occasionally, local debt may be issued at a later date than the authority bond issue, and in some cases, maybe it's before. So, this is one way to track if those actual sale dates are different. And you can see that, it also pre-populates the total costs of issuance from the authorities Report of Final Sale.

That'll be helpful for filers to know if where those costs were reported from the report of final sale. All information on this is pre-populated. I guess I answered "yes" for the reserve fund at the authority level on a prior report. I will go ahead and leave it that way. And then there's also a question about whether the authority reserve fund, what the percentage is if this particular Local Obligors reserve fund is a part of the authorities, it wants you to answer "yes" or "no". I'm going to put no, but if it's yes, then there is a requirement to put in the percent of the reserve fund and that can be done, on each Local Obligor if it applies. So I will click *Save and Next* again; we have fund balances to show the principal amount of bonds, outstanding bond reserve fund, capitalize interest fund, and the admin fee charged by the authority, which I know I input as a \$1000, but I will click on this fund balances from Marks-Roos Local Obligor yearly submissions to see what I had from last year.

There was no principal that was paid down in this case. It was still remaining at 5 million from last year in 2021. I'll close that out, and I think I will go ahead and put in -- let me look at that one more time. I'll go ahead and put in the bond reserve fund at 2, 3, 4, 5, and we'll say they made a little bit of a payment, zero capitalized interest, and a \$1000 for the CE charged by the authority. For the Local Obligors, there are questions related to delinquent reporting - this is similar to the Mello-Roos. It's really just required questions, yes or no, and you can put them in specifically for that particular reporting year. The date that the tax roll is from -- let's just say it's probably 6:30 (inaudible) what year are we in? 2022? Yes. And the delinquent rate, we'll just say it was zero five. Does this agency participate in the county's teeter plan? Again, similar to the Melo-Roos, we'll say "yes." Yes. Taxes due, tends to pre-populate if applicable, a tax is unpaid. Just update these amounts if they are not correct, I'll just plug in a different number just to show. It's just really information that you can update. Save and next we're down to the retired issue section. So once again this will be not retired, but you'll need to put in the accurate date if you are reporting it as matured, redeemed entirely, or other, because if that date falls outside of the reporting period, you'll get an error on your report. I'll click *Save and Next* again. We have the filing contact information here and then comments and you can add comments similar to any of the other reports that I mentioned -- anything you think we need to know upcoming: redemption dates, or maturities. And we'll just click Save and Next, and here we're back at the review. So I will scroll down and click *Validate and Submit*. And it automatically opens up a PDF that shows the CDIAC number, the status as *Submitted*, and the date that it was submitted.

And that is the walkthrough for the Local Obligor Yearly Fiscal Status Report. And we'll go back to the dashboard and we will do one more walkthrough to show the Default Draw on Reserve Report.

#### **SLIDE 11: MARKS-ROOS AUTHORITY, DRAW ON RESERVE/DEFAULT**

**53:33**

**TARA DUNN:** The last report I will show you has to do with drawing reserve defaults and replenishments agencies that have issued either Mello-Roos bonds or Marks-Roos bonds, regardless of when sold -- are required to report within 10 days if the local agency or its trustee fails to pay principal and interest due on any scheduled payment date or if funds are withdrawn from a reserve fund to pay principal and interest on the bonds.

In order to find this report, you must first start with the issuer. In this case, I'll choose my *Public Financing Authority* and click *Submit*. Under this *Quick Actions* tab is the *New Report of Proposed Debt* and the *Drawn Reserve Default Replenishment* report that we're talking about. In order to create a draft of this report, you can either click on this button or you can go through and select it from the report of final sale. But this button makes it easy, so I just recommend that you use that. So if you click on this button, a search criteria box will pop open, which, automatically defaults to the issuer you have chosen. And you can either search by the issue name by typing in something that the issue name contains, such as "revenue bonds;" what I find easiest is to just broaden the sale date range. I have a number of CDIAC numbers to choose from. So in this case, I'll just plug in a broad date range going from 2015 to 2023. This checkbox, if it's blue, means that the CDIAC numbers will be still reportable, they still are outstanding. And so I'm going to leave that blue. If you uncheck this box, it'll look for everything that's already been paid off or matured or something like that. But we want to keep this on. And then I'll click the *Search* button. So as I filter or

scroll down, the final sale reports will show all the CDIAC numbers that have been reviewed, and I'll choose the one we were working with earlier and go to the *Action* button. And in the dropdown, since these are reviewed reports, I have the choices of *Edit* or *Draw* on reserve default replenishment. So I'll click on the *Draw* and it'll automatically pop up a notice that talks about the different notices that are required: the default, the replenishment, and the draw and reserve for each type of bond. So either Mello-Roos is on the top and then if you scroll down, Marks-Roos is towards the bottom. And this is just information from the government code section that's requiring this report and it's not an acknowledgement – you just close it out and the report has been created.

This is the draft; you can print a PDF of the draft. And again, the sections are shown along the top with the first one being the issuance information that is pre-populated from the Report of Final Sale. If you scroll down to the event details, this is where you're going to pick the specific government code section for the debt issue that you're submitting this report for. So in this case, I chose the Public Finance Authority, so I will choose the Marks-Roos Bond Pooling Act section which is 6599.1. But if this was a Mello-Roos that I wanted to report on, then I would select the other radio button. So the next required field is the *Type of Event*. So I have to tell, or at least put on the report, whether this is the draw on reserve, if it was a default, or if it's a replenishment, which is voluntary. If you can't see these in the dropdown menu on your screen, they are there. They're just -- it's a select of either *Drawn Reserve*, *Default*, or *Replenishment*. So I'm going to pick *Default*. Now, default is listed as the type of event, and the next field is the date that the draw occurred. So, since within 10 days, I'll say that the draw happened last Wednesday, and that the amount that was not paid due in the default was roughly a 100,000. So I'll just plug in a number there and I will click *Save and Next*. The filing contact information pre-populates with the person filling out the report. And there's a comment section that filers can use to provide any additional information about the notice and what they're reporting about. There is no location for uploading documents. So if there are any documents you wish to send to us or may, we may reach out to you. We will do that via email and you can send it to us via email at the CDIAC issuance email. So after any comments are added, you can click *Save and Next*, and of course, the review section appears with all of the fields that have been entered and at the bottom is *Validate and Submit*. You can save this for later and come back to submit it and it'll still show as draft. In fact, I think I'll show you that.

I'll click back on the dashboard because -- since we used the quick action button to create the report. I will go back to the prep, public financing authority. I will click *Submit* and instead of clicking on a button, I will actually go to the filters for the dashboard and click *Ongoing Annual Reports* and then choose *Drawn Reserve Default Replenishment* from the dropdown menu and *New and Pending Reports*. And then click *Go* and the newly drafted default report is here and I can edit it in order to submit it. So I will choose *Edit* from the action button and the same notice pops up, which I just need to close. And then I'll just go right to the review section and click *Validate and Submit* and the PDF of the report will automatically pop up. The CDIAC number is listed at the top, the status is *submitted*, and the date that the report was filed. So that takes care of all of the tutorials for the Mello and the Marks-Roos. And now we will switch over to the live Q and A session.

**SLIDE 12: Q and A**

**58:08**

**TARA DUNN:** All right, thanks everyone. Thanks for sticking with us. We are now in our live Q and A portion of the webinar. If you have a question, please click on the *Questions* button. That should be on your control panel and go ahead and send us questions. We haven't really received very many, but, a couple of did come in. One was about the slides, and of course the PowerPoint slides are in the *Handouts* section. So you should be able to download at least the PowerPoint slides. And of course, most of the walkthrough is video and so we will be posting that after this webinar is concluded. And then another question came in about the show history section. So in the Data Portal, for the reports that have been created as drafts, submitted, and then subsequently reviewed in the Data Portal, those will show up in the *Show History* section for the different submitted status and the reviewed status. But it's only going to be for that specific report, so the fiscal or the reporting year end for that specific CDIAC number. So it won't show other reporting years there. It won't show other CDIAC numbers there – only the report that you're in and that specific CDIAC number. So if you ever try -- if you're trying to look at a prior report, you won't be able to view it in that same way because they're locked. We don't give access to prior reports other than the one that you're working on, if you have started it, to edit anything. And we've only had the Data Portal live for a year. All the legacy data, so anything that was submitted to us and reviewed prior to June 20th, 2022, those aren't saved as paid PDFs and those show history sections because the data portal wasn't live yet. This is just a function of the current new Data Portal. So if you needed something from a prior year, a few years back, contact us and we should be able to help you on our screen. We have our [CDIACissuance@treasurer.ca.gov](mailto:CDIACissuance@treasurer.ca.gov) mailbox, and of course, if you have any issues you can always reach out to us there. We do have a question that came in for reports on issues that have comments for corrections. The question is: do we review these? Review and incorporate them? Do you want to answer that, Jeff?

**JEFF FIELD:** I interpret that that as: filers will not infrequently type stuff into the comment section on a report. Generally saying that information contained in a field or fields which are not accessible need to be updated, corrected, or supplemental information is included which may not necessarily have a space for which to accommodate it in the report. Yes, so we do see those and yes, we do incorporate those.

**TARA DUNN:** Another question came in for issues where the information from where the report of final sale was incorrect and the report of final sale is not editable. So if it's not editable, that means that another ongoing annual report has already been created. And so in those instances where you cannot go back into the report of final sale to edit it, you can contact us at the CDIAC issuance email and let us know. In this specific case, the report of final sale wasn't showing the premium or the discount amounts correctly. We actually ran into this at our Disclosure in-person program back in March where we had office hours. Jeff and I both were answering questions and we found that on some of the reports of final sale for the Marks-Roos funds, the premium was only reported on one or the other. So it was only reported in this case on the authority and not on the Local Obligor debt. So, in this case, the issuer was having a problem trying to file their ADTR because the proceeds weren't showing up on the LOB. So yes, we went and edited the report of final sale for them and were able to correct that and get the proceeds showing on both. But if you see that, if you run into those problems, please reach out and let us know.

Well, I don't see any other questions. I'm just taking a view of the question box. All right. Okay. Well if you do have any other questions that you think of after this webinar's concluded, please feel free to email us at [CDIACissuance@treasurer.ca.gov](mailto:CDIACissuance@treasurer.ca.gov). Please, let us know and we'll follow up. I'd like to thank Jeff for

joining me for this Q and A and I'd also like to thank our CDIAC education team, Anna Ramirez and Angela Ayala for helping me present this webinar. I really appreciate all the work they do behind the scenes to facilitate our programming.

**SLIDE 13: UPCOMING CDIAC EDUCATION PROGRAM**

**1:05:17**

**TARA DUNN:** And now turning to the last slide, we have some upcoming CDIAC events that might be of interest to you, which are listed here. And what would really help us is to improve our programming is for you to respond to the survey after the webinar. We thank you for joining us. We look forward to you joining us again for future programming. This ends our broadcast. So long. Stay well and have a great day everyone.