

RESOLUTION NO. 4005

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA APPROVING A DEBT MANAGEMENT POLICY AND DISCLOSURE PROCEDURES FOR PUBLIC DEBT ISSUANCES AND RELATED DISCLOSURE OBLIGATIONS

RESOLVED, by the City Council (the "Council") of the City of Coalinga (the "City"), Fresno County, State of California, as follows:

WHEREAS, pursuant to the provisions of section 8855(i) of the California Government Code, prior to the issuance or incurrence of any debt, the City is required to adopt local debt policies concerning the use of debt and that any proposed debt issuance is consistent with those local debt policies;

WHEREAS, a debt management policy has been developed for the City and the Council desires to adopt such policy in connection with any proposed debt of the City;

WHEREAS, from time to time the City incurs indebtedness (including but not limited to bonds, notes and certificates of participation) and, in connection therewith, prepare disclosure documents (a) describing the indebtedness for use in the offering and sale of the indebtedness or interests therein generally known as "official statements" or "placement memoranda" (the "Initial Disclosure Documents"); and (b) as required by continuing disclosure obligations entered into in connection with such indebtedness (the "Continuing Disclosure Documents") which typically are required to be filed with the Municipal Securities Rule Making Board's Electronic Municipal Market Access System (generally known as "EMMA"), and

WHEREAS, to (a) ensure that Initial Disclosure Documents do not contain any material misstatements or omit to state information material to prospective investors in connection with their decision to purchase obligations of the City, (b) ensure that Continuing Disclosure Documents filed with EMMA are timely filed, are accurate and are otherwise in accordance with continuing disclosure obligations of the City, (c) ensure that material event notices and any other filings with EMMA in connection with debt obligations of the City are accurate and comply with all applicable federal and state securities laws, and (d) promote best practices regarding the preparation of Initial Disclosure Documents and Continuing Disclosure Documents, disclosure procedures for public debt issuances and related disclosure obligations has been developed for the City and the Council desires to adopt such procedures in connection with any proposed debt of the City;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COALINGA:

Section 1. The debt management policy, in the form attached hereto as Exhibit A (the "Debt Policy"), is hereby adopted by the Council for the City. The Debt Policy has been developed to provide guidance in the issuance and management of debt by the City or its related entities and is intended to comply with section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt, to ensure that debt capacity and affordability are adequately considered, to minimize the City's interest and issuance costs, to maintain the highest possible credit rating, to provide complete financial disclosure and reporting and to maintain financial flexibility for the City.

Section 2. To (a) ensure that Initial Disclosure Documents do not contain any material misstatements or omit to state information material to prospective investors in connection with their decision to purchase obligations of the Public Agencies, (b) ensure that Continuing Disclosure Documents filed with EMMA by the Public Agencies are timely filed, are accurate and are otherwise in accordance with continuing disclosure obligations of the Public Agencies, (c) ensure that material event notices and any other filings with EMMA in connection with debt obligations of the Public Agencies are accurate and comply with all applicable federal and state securities laws, and (d) promote best practices regarding the preparation of Initial Disclosure Documents and Continuing Disclosure Documents, the City Council hereby adopts disclosure procedures for public debt issuances in the form attached hereto as Exhibit B.

Section 3. The City Manager, the Finance Director, the City Clerk, and other appropriate officials of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the provisions and directives of this Resolution.

Section 4. This Resolution shall be effective upon adoption by the Council.

PASSED AND ADOPTED by the City Council of the City of Coalinga at a regular meeting held on the **4th day of February, 2021** by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Ron Ramsey, Mayor

ATTEST:

Shannon Jensen, City Clerk

EXHIBIT A

DEBT MANAGEMENT POLICY

This DEBT MANAGEMENT POLICY (the “Debt Policy”) of the City of Coalinga (the “City”) was approved by the City Council of the City (the “Council”) on February 4, 2021. The Debt Policy may be amended by Council as it deems appropriate from time to time in the prudent management of the debt of the City.

This Debt Policy will also apply to any debt issued by any public agency for which the Council acts as its legislative body.

The Debt Policy has been developed to provide guidance in the issuance and management of debt by the City or its related entities and is intended to comply with section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the City’s interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the City’s effort to allocate limited resources to provide the highest quality of service to the public. The City understands that poor debt management can have ripple effects that hurt other areas of the City. On the other hand, a properly managed debt program promotes economic growth and enhances the vitality of the City for its residents and businesses.

1. Findings

This Debt Policy shall govern all debt undertaken by the City. The City hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the City’s sound financial position.
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the City’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the City.
- Ensure that the City’s debt is consistent with the City’s planning goals and objectives and capital improvement program or budget, as applicable.
- Encourage those that benefit from a facility/improvement to pay the cost of that facility/improvement without the need for the expenditure of limited general fund resources.

2. Policies

A. Purposes For Which Debt May Be Issued

The City will consider the use of debt financing primarily for capital improvement projects (CIP) when the project's useful life will equal or exceed the term of the financing and when resources are identified sufficient to fund the debt service requirements. An exception to this CIP driven focus is the issuance of short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes and conduit financing, as described below. Bonded debt should not be issued for projects with minimal public benefit or support, or to finance normal operating expenses.

If a department has any project which is expected to use debt financing, the department director is responsible for expeditiously providing the City Manager and the Finance Director with reasonable cost estimates, including specific revenue accounts that will provide payment for the debt service. This will allow an analysis of the project's potential impact on the City's debt capacity and limitations. The department director shall also provide an estimate of any incremental operating and/or additional maintenance costs associated with the project and identify sources of revenue, if any, to pay for such incremental costs.

(i) Long-Term Debt. Long-term debt may be issued to finance or refinance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and/or operated by the City.

(a) Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the City and its taxpayers and ratepayers.
- When the debt is used to refinance outstanding debt or other obligations in order to produce debt service savings or to realize the benefits of a debt restructuring.

(b) Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.

(c) The City may use long-term debt financings subject to the following conditions:

- The project to be financed has been or will be approved by the Council.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%, unless specific conditions exist that would mitigate the extension of time to repay the debt and it would not cause the City to violate any covenants to maintain the tax-exempt status of such debt, if applicable.

- The City estimates that sufficient income or revenues will be available to service the debt through its maturity.
- The City determines that the issuance of the debt will comply with the applicable requirements of state and federal law.
- The City considers the improvement/facility to be of vital, time-sensitive need of the community and there are no plausible alternative financing sources

(d) Periodic reviews of outstanding long-term debt will be undertaken to identify refunding opportunities. Refunding will be considered (within federal tax law constraints, if applicable) if and when there is a net economic benefit of the refunding. Refundings which are non-economic may be undertaken to achieve City objectives relating to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or the debt service profile.

In general, refundings which produce a net present value savings of at least three (3) percent of the refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than three (3) percent or negative savings will be considered on a case-by-case basis, and are subject to Council approval.

(ii) Short-term debt. Short-term borrowing may be issued to generate funding for cash flow needs in the form of Tax and Revenue Anticipation Notes (TRAN).

Short-term borrowing, such as commercial paper, and lines of credit, will be considered as an interim source of funding in anticipation of long-term borrowing. Short-term debt may be issued for any purpose for which long-term debt may be issued, including capitalized interest and other financing-related costs. Prior to issuance of the short-term debt, a reliable revenue source shall be identified to secure repayment of the debt. The final maturity of the debt issued to finance the project shall be consistent with the economic or useful life of the project and, unless the Council determines that extraordinary circumstances exist, must not exceed seven (7) years.

Short-term debt may also be used to finance short-lived capital projects; for example, the City may undertake lease-purchase financing for equipment, and such equipment leases may be longer than seven (7) years.

(iii) Financings on Behalf of Other Entities. The City may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein. In no event will the City incur any liability or assume responsibility for payment of debt service on such debt.

B. Types of Debt

In order to maximize the financial options available to benefit the public, it is the policy of the City of Coalinga to allow for the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

- General Obligation (GO) Bonds: General Obligation Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include libraries, parks, and public safety facilities. All GO bonds shall be authorized by the requisite number of voters in order to pass.
- Revenue Bonds: Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. An example of projects that would be financed by a Revenue Bond would be improvements to a water system, which would be paid back with money raised from the rates and charges to water users. Generally, no voter approval is required to issue this type of obligation but in some cases, the City must comply with proposition 218 regarding rate adjustments.
- Lease-Backed Debt/Certificates of Participation (COP/Lease Revenue Bonds): Issuance of Lease-backed debt is a commonly used form of debt that allows a City to finance projects where the debt service is secured via a lease agreement and where the payments are budgeted in the annual budget appropriation by the City from the general fund. Lease-Backed debt does not constitute indebtedness under the state or the City's constitutional debt limit and does not require voter approval.
- Special Assessment/Special District Debt: The City will consider requests from developers for the use of debt financing secured by property based assessments or special taxes in order to provide for necessary infrastructure for new development only under strict guidelines adopted by the Council, which may include minimum value-to-lien ratios and maximum tax burdens. Examples of this type of debt are Assessment Districts (AD) and Community Facilities Districts (CFD) or more commonly known as Mello-Roos Districts. In order to protect bondholders as well as the City's credit rating, the City will also comply with all State guidelines regarding the issuance of special district or special assessment debt, as well as any policy required to be adopted under Government Code Section 53312.7.

The City may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

To maintain a predictable debt service burden, the City will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. The City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of securities. When making the determination to issue bonds in a variable rate mode, consideration will be given in regard to the useful life of the project or facility being financed or the term of the project requiring the funding, market conditions, credit risk and third party risk analysis, and the overall debt portfolio structure when issuing variable rate debt for any purpose. The maximum amount of variable-rate debt should be limited to no more than 20 percent of the total debt portfolio.

The City will not employ derivatives, such as interest rate swaps, in its debt program. A derivative product is a financial instrument which derives its own value from the value of another instrument, usually an underlying asset such as a stock, bond, or an underlying reference such as an interest rate. Derivatives are commonly used as hedging devices in managing interest rate risk and thereby reducing borrowing costs. However, these products bear certain risks not associated with standard debt instruments.

C. Relationship of Debt to Capital Improvement Program and Budget

The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's capital budget and the capital improvement plan.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear, unless a specific revenue source has been identified for this purpose, such as Gas Tax funds.

The City shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

The City shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

D. Policy Goals Related to Planning Goals and Objectives

The City is committed to financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The City intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the City's annual operating budget.

It is a policy goal of the City to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

Except as described in Section 2.A., when refinancing debt, it shall be the policy goal of the City to realize, whenever possible, and subject to any overriding non-financial policy considerations minimum net present value debt service savings equal to or greater than 3% of the refunded principal amount.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the City shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The City will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the City's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the City will submit written requisitions for such proceeds. The City will submit a requisition only after obtaining the signature of the City Manager or the Finance Director.

F. Method of Sale

For the sale of any City-issued debt, the City Manager or the Finance Director or designee shall recommend the method of sale with the potential to achieve the lowest financing cost and/or to generate other benefits to the City. Potential methods of sale include:

- A competitive bidding process through which the award is based on, among other factors, the lowest offered true interest cost
- Negotiated sale, subject to approval by the City to ensure that interest costs are in accordance with comparable market interest rates
- Private placement sale, when the financing can or must be structured for a single or limited number of purchasers or where the terms of the private placement are more beneficial to the City than either a negotiated or competitive sale

G. Waivers of Debt Policy

There may be circumstances from time to time when strict adherence to a provision of this Debt Policy is not possible or in the best interests of the City and the failure of a debt financing to comply with one or more provisions of this Debt Policy shall in no way affect the validity of any debt issued by the City in accordance with applicable laws.

EXHIBIT B

DISCLOSURE PROCEDURES FOR PUBLIC DEBT ISSUANCES

These DISCLOSURE PROCEDURES FOR PUBLIC DEBT ISSUANCES AND RELATED DISCLOSURE OBLIGATIONS (the “Procedures”) of the City of Coalinga (the “City”) were approved by the City Council of the City (the “Council”) on February 4, 2021. The Policies may be amended by Council as it deems appropriate from time to time in the prudent management of the debt of the City.

The Policies will also apply to any debt issued by any public agency for which the Council acts as its legislative body.

I. INTRODUCTION

A. Purpose

The procedures are intended to (1) ensure that the City’s Initial Disclosure Documents and Continuing Disclosure Documents (as such terms are defined in Section II A.2 below) are accurate and comply with all applicable federal and state securities laws, and (2) promote best practices regarding the preparation of the City’s Initial Disclosure Documents and Continuing Disclosure Documents.

II. KEY PARTICIPANTS

A. Disclosure Practices Working Group

1. *Composition.* A Disclosure Practices Working Group (the “Disclosure Working Group”) will have general oversight over the entire initial and continuing disclosure process. Members of the Disclosure Working Group shall be appointed from time to time by the City Manager (in consultation with the Finance Director) and shall consist of persons relevant to the disclosure process. The initial Disclosure Working Group shall include the following persons:

- (a) the Finance Director;
- (b) the Disclosure Coordinator (as described below);
- (c) the City Attorney; and
- (d) and any other individuals appointed by the City Manager.

The Disclosure Working Group shall consult with finance team members for each applicable City debt obligation, or other interested parties as the Finance Director or any other member of the Disclosure Working Group determines is advisable, related to disclosure issues and practices. Meetings of the Disclosure Working Group may be held telephonically.

The Disclosure Working Group is an internal working group of City staff and not a decision-making or advisory body subject to the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

2. *Responsibilities.* The Disclosure Working Group is responsible for:

(a) reviewing all Initial Disclosure Documents, and making recommendations to the City Council or appropriate governing board for their approval of Initial Disclosure Documents;

(b) reviewing all continuing disclosure obligations as contained in Initial Disclosure Documents before such documents are released to the prospective investors, and making recommendations to the City Council or appropriate governing board for their approval of such continuing disclosure obligations;

(c) reviewing annually the City's status and compliance with continuing disclosure obligations, including filings of Continuing Disclosure Documents, compliance with these Procedures and the annual report prepared by the Disclosure Consultant as described in Section II (C) below;

(d) reviewing any items referred to the Disclosure Working Group; and

(e) evaluating the effectiveness of these Procedures and approving changes to these Procedures.

For purposes of these Procedures, "Initial Disclosure Documents" means disclosure documents describing City indebtedness for use in connection with the offering and sale of the indebtedness or interests therein, including Official Statements (as defined in the next sentence); and "Continuing Disclosure Documents" means (i) annual continuing disclosure reports filed with the MSRB, and (ii) event notices and any other filings with the MSRB. As used in these Procedures, the term "Official Statements" means preliminary and final official statements, private placement memoranda and remarketing memoranda relating to the City's debt obligations, together with any supplements, for debt obligations for which a continuing disclosure obligation is required.

B. Disclosure Coordinator

1. *Appointment.* The Finance Director, in consultation with the other members of the Disclosure Working Group, shall select and appoint a Disclosure Coordinator. The Finance Director may serve as the Disclosure Coordinator.

2. *Responsibilities.* The Disclosure Coordinator is responsible for:

(a) serving as a "point person" for personnel to communicate issues or information that should be or may need to be included in any Initial Disclosure Document or Continuing Disclosure Document;

(b) in preparing Initial Disclosure Documents and in anticipation of preparing Continuing Disclosure Documents, soliciting "material" information (as defined in Securities and Exchange Rule 10b-5) from City departments and other relevant City Staff;

(c) following up with others, including management of outside consultants assisting the City, in the preparation and dissemination of Initial Disclosure Documents and Continuing Disclosure Documents to make sure that assigned tasks have been completed on a timely basis and making sure that the Continuing Disclosure Documents are filed on a timely basis and are accurate;

(d) In cooperation with the attorney or attorneys, or financial advisor, preparing any Initial Disclosure Document, and with other City or public agency Staff members with knowledge of the subject matter of the respective debt obligation, (i) reviewing each Initial Disclosure Document with the Disclosure Working Group and (ii) presenting the Initial Disclosure Document to the City Council or other appropriate governing board for approval, before it is disseminated to the public or prospective purchasers of the related debt obligation, all in order to ensure that all disclosure contained therein and not otherwise attributable to sources other than the City is accurate and does not omit to state information required to be stated therein in order to make the statements therein not misleading in any material respect;

(e) preparing and filing the required Continuing Disclosure Documents, to the extent such filings are not prepared and filed by the Disclosure Consultant;

(f) monitoring compliance by the City with these Procedures, including timely dissemination of annual report and event filings as described in Sections III (B) and (C) below;

(g) recommending changes to these Procedures to the Disclosure Working Group as necessary or appropriate;

(h) together with the Finance Director (if other than the Disclosure Coordinator), coordinating the timely provision of information to the Disclosure Consultant as needed to fulfill its responsibilities to the City;

(i) maintaining records documenting the City's compliance with these Procedures;

(j) reviewing compliance with and providing appropriate certifications in connection with the various covenants in documents for debt obligations; and the Disclosure Coordinator shall review the documents for debt obligations to determine which covenants require an annual or regular certification and maintain a list of those with the Disclosure Coordinator (the Disclosure Coordinator may delegate such compliance requirements to the Disclosure Consultant); and

(k) ensuring that members of the Disclosure Working Group and the City Council or other applicable governing board approving Initial Disclosure Documents or Continuing Disclosure Documents receive periodic training regarding disclosure responsibilities and practices.

3. *Consultation.* The Disclosure Coordinator shall consult with the disclosure counsel for a respective debt obligation to the extent the Disclosure Coordinator considers appropriate to perform the Disclosure Consultant's responsibilities.

C. Disclosure Consultant

1. *Appointment.* The Finance Director shall designate or hire, as applicable, a Disclosure Consultant (who may be a City Staff member, an attorney retained as disclosure counsel, a financial advisor or other appropriate consultant) in consultation with the Disclosure Working Group. The Disclosure Consultant shall have significant expertise and experience related to on-going disclosure requirements for municipal securities.

2. *Responsibilities.* The Disclosure Consultant is responsible for:

(a) communicating to the Disclosure Working Group its information needs, reviewing Initial Disclosure Documents, Continuing Disclosure Documents and other relevant information, consulting with appropriate City staff or interested parties needed to confirm that the City is meeting its disclosure obligations; and

(b) from time to time, making recommendations to the Disclosure Working Group regarding ways the City may improve these Procedures and methods of meeting City continuing disclosure obligations.

D. Others With Responsibility for Initial Disclosure Documents.

1. *Responsibilities of City Attorney.* The City Attorney (or a designee) shall review Initial Disclosure Documents and shall draft for Initial Disclosure Documents descriptions of (a) any material current, pending or threatened litigation, (b) any material settlements or court orders and (c) any other legal issues that are material information for purposes of any respective Initial Disclosure Document.

2. *Responsibilities of Finance Director.* The Finance Director shall review each Initial Disclosure Document, identify any material difference in presentation of financial information from the City's most recent financial statements and ensure there are no misstatements or omissions of material information in any sections that contain descriptions of information prepared by the Finance Director (or the Finance Director's staff) or of relevance to the finances of the City. In addition, the Finance Director shall determine whether the City's then-available financial statements are appropriate to be included in the respective Initial Disclosure Document and whether to seek the consent of the City's auditor to including financing statements in the respective Initial Disclosure Document.

III. CONTINUING DISCLOSURE FILINGS

A. Overview of Continuing Disclosure Filings

Under the continuing disclosure undertakings it has entered into in connection with its debt offerings, the City is required to file annual reports with the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA") system in accordance with such undertakings in each year. Such annual reports are required to include certain updated financial and operating information (or may refer to a publicly-available document), which varies among the different obligations issued by the City, the City's audited financial statements and other information material to investors.

The City is also required under the continuing disclosure undertakings to file notices of certain events with EMMA.

B. Annual Reports

The Disclosure Coordinator shall ensure that the preparation of the City's annual reports commences as required to satisfy the filing requirements under each specific continuing disclosure obligation. Before any annual report is submitted to EMMA, the Disclosure Coordinator shall confer with the Disclosure Working Group as needed regarding the content and accuracy of any annual report. Prior to each filing, the Disclosure Coordinator will review each report with the Disclosure Consultant, and the Disclosure Consultant will confirm in writing (which may be by email) that such report appears to comply with the requirements of the applicable continuing disclosure undertaking.

C. Event Filings

Each member of the Disclosure Working Group shall notify the other members of the Disclosure Working Group if he or she becomes aware of any of the material events listed in any of the City's continuing disclosure undertakings. The Disclosure Working Group may meet to discuss the event and to determine, in consultation with the Disclosure Consultant, whether a filing is required or is otherwise desirable.

D. Uncertainty

The Finance Director may direct questions regarding the disclosure to the Disclosure Consultant, disclosure counsel, bond counsel or the City Attorney or such other counsel or consultant he/she deems appropriate.

IV. CONTINUING DISCLOSURE DOCUMENTS TO BE RETAINED

The Disclosure Coordinator shall be responsible for retaining records demonstrating compliance with the Continuing Disclosure Document requirements of these Procedures. The Disclosure Coordinator shall retain an electronic or paper file ("Disclosure File") for each continuing disclosure annual report that the City completes. Each Disclosure File shall include the final version of the applicable Initial Disclosure Document and all related Continuing Disclosure Documents; written confirmations, certifications, letters and legal opinions described herein; copies of these Disclosure Procedures and a list of individuals to whom they have been distributed and the dates of such distributions; and a written record of the dates of meetings of the Disclosure Working Group. The Disclosure File shall be maintained in a central depository for a period of five years from the later of the date of delivery of the securities referenced in the Continuing Disclosure Document, or the date the Continuing Disclosure Document is published, posted, or otherwise made publicly available, as applicable.

V. EDUCATION

The Finance Director shall ensure that the Disclosure Coordinator and the members of the Disclosure Working Group are properly trained to understand and perform their responsibilities. Such training may include training sessions conducted by consultants with expertise in municipal securities disclosure or by the Disclosure Consultant, attendance at conferences, or other appropriate methods identified by the Finance Director.

