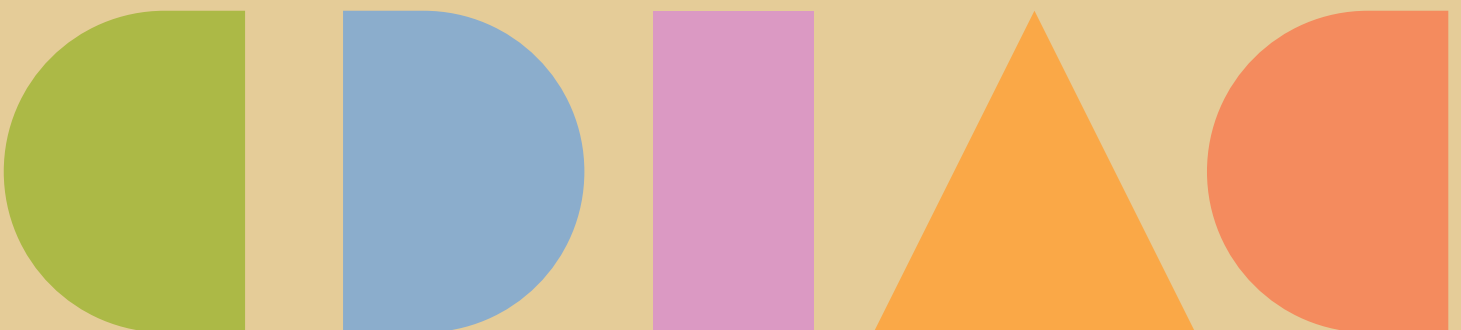
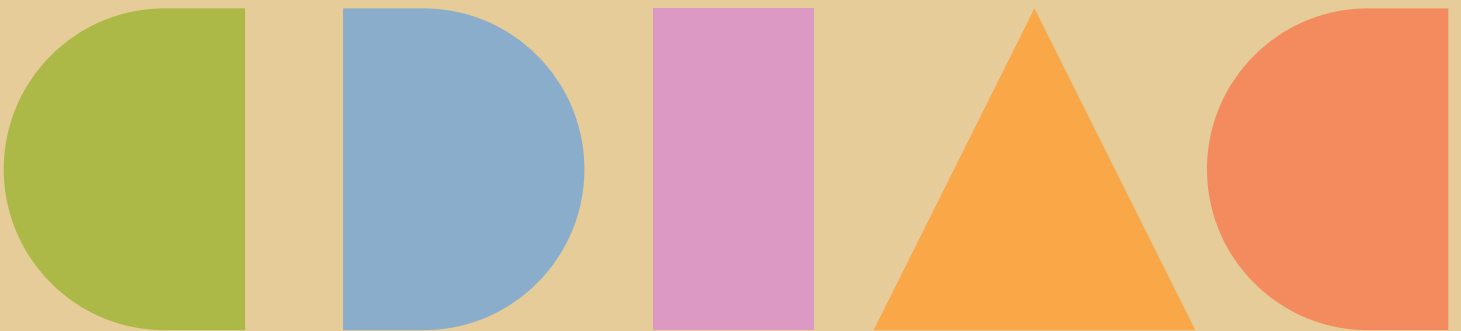
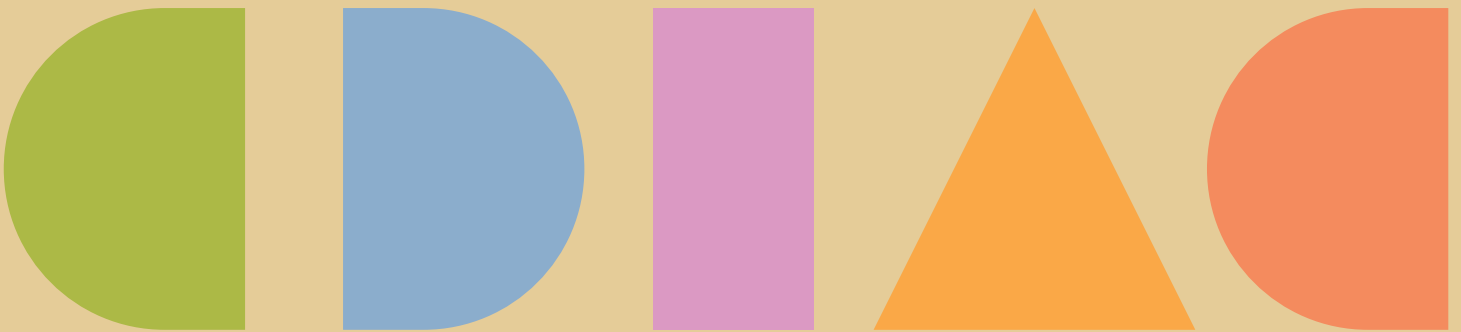
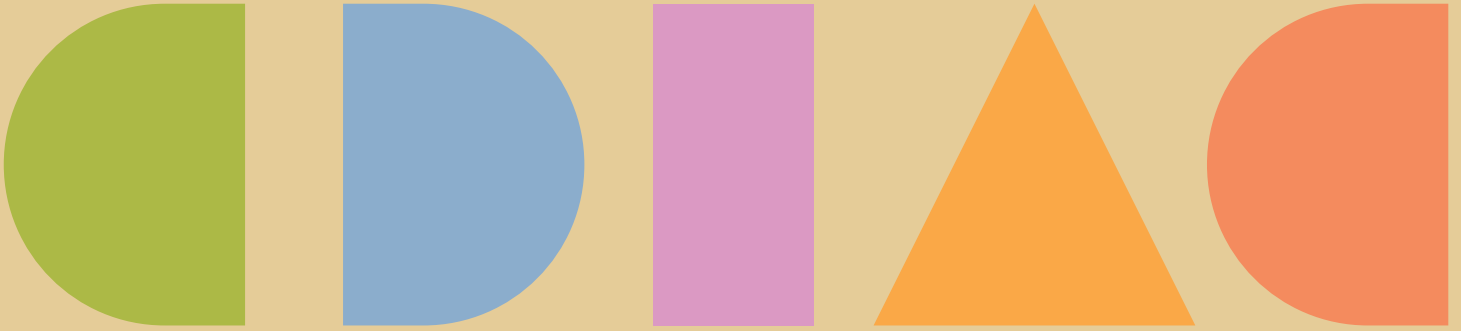


2020 ANNUAL REPORT



CALIFORNIA
DEBT AND
INVESTMENT
ADVISORY
COMMISSION

September 1, 2021

To Our Constituents:

Many words have been used to describe 2020: crisis, unprecedented, nightmarish, lost, relentless, and exhausting, among many others. All are suitable descriptors when we contemplate our journey through the pandemic year. However, it has been our collective response to the crisis, best described with words like perseverant, resourceful, and resilient, that has revealed much about ourselves, our colleagues, and our organizations. Your unwavering commitment to serve your communities in the face of a crisis of unknown and unpredictable dimension, has been an achievement that will grow even more extraordinary when we look back years from now. At the California Debt and Investment Advisory Commission (CDIAC), it was in our steadfast commitment to serve all of you that we discovered new opportunities, talents, methods, partnerships and in many ways came closer together even in the in the face of widespread isolation.

It is my pleasure to present the 2020 Annual Report, CDIAC's journey through the last year with some indications of what lies ahead. The issuance data, analysis, and discussion of activities that follows is not just a tally of CDIAC's accomplishments in its 39th year of operation, but a tribute to how we all rallied, individually, as agencies and organizations, and as affiliates in the California public finance community.

Debt issuance in California in 2020 increased 20% to \$92 billion, the second highest nominal issuance level since CDIAC began collecting issuance data in 1982. Issuance in 2020 was only surpassed by the \$95.6 billion issued in 2009. In 2009, however, issuance between state and local governments was fairly even – 48% and 52%, respectively. In 2020, local agencies issued 2.7 times more debt than state entities and accounted for 73% of all issuance.

California agencies issued a record amount of long-term debt in 2020 - \$81.8 billion was issued with a final maturity of greater than 18 months. Long-term, new money debt issuance, a measure of debt-financed infrastructure investment, totaled \$45.3 billion in 2020. Very strong issuance in this category exceeded the prior ten-year average by 46%, but was still well behind the American Recovery and Reinvestment Act induced peak of \$57.7 billion set in 2009.

Refunding issuance grew by 34% and returned to levels not seen since 2015, before the elimination of tax-exempt advanced refundings by the Tax Cuts and Jobs Act of 2017. In 2020, refundings represented just under 40% of total issuance at \$36.5 billion, just missing the \$37.7 billion refunding peak in 2015.

The 69% surge in taxable issuance was one of the most notable issuance outcomes in 2020. The record-setting issuance amount of \$34 billion included 54% refunding debt. The \$18.3 billion of taxable refunding debt issued in 2020 was nearly twice as much as the next closest year, 2019. Total refunding was not the only interesting story in the California taxable debt market in 2020. Pension obligation debt issuance hit an all-time high of \$4.2 billion in 2020 and there is already another \$2.7 billion either sold or proposed in the first half of 2021.

Consistent with the growth in issuance activity across the state, CDIAC's data collection and reporting operations processed more reports of debt issuance and annual status than ever before. Modifications to the reporting practices made in 2019 for certain debt types provided a stay in the growth rate of reporting between 2018 and 2019, but the reprieve only lasted a year. In 2020, CDIAC's data team processed nearly 13,500 reports, a 17% increase from 2019. While the filing of final sale reports was on pace with 2019, annual reporting obligations, including the Mello- and Marks-Roos Yearly Fiscal Status Reports and the Annual Debt Transparency Report, grew by 28%. It is expected that, due to their cumulative nature, annual filings will continue to grow by double digits for the foreseeable future.

Creating efficiencies in CDIAC's data collection systems and processes and empowering issuers to manage their own data are key to the long-term sustainability of CDIAC's data collection and reporting mission. In 2021, CDIAC expects to launch its End-2-End project, the most ambitious enhancement of its data collection and reporting system in CDIAC's history. The first phase will be a complete makeover of the online reporting interface. Phase I objectives are to speed filing, increase data validity, build statutory compliance, and reduce customer service demands. Phase II will involve a redesign of DebtWatch to provide enhanced search capability and a more intuitive view of debt data, among other improvements identified by DebtWatch users.

Technology was also at the center of CDIAC's continuing education and research work in 2020. Like businesses and governments across the globe, CDIAC had to look to web-based applications for business continuity, and no activity was more affected by the pandemic than our education program. Although there were early challenges, the CDIAC education team produced a calendar of fundamental and topical programming that generated the greatest participation CDIAC has ever seen.

The 2020 calendar began smoothly with two, well-attended in-person programs: *Municipal Market Disclosure* and *Fundamentals of Public Funds Investing*. Then, the end of March ushered in massive change and a transition to 100% online programming. Adapting to the situation, the education team produced seven webcasted programs covering COVID-19 disclosure, TRANs issuance, a conversation with Treasurer Ma, Marks-Roos annual filing, debt issuance fundamentals, Mello-Roos fundamentals, and climate change disclosure. In total, CDIAC's education programs attracted participation from 1,325 individuals from 589 organizations with 3,636 separate event registrations.

CDIAC also found success in direct integration of its research with its educational programs. *Top COVID-19 Disclosure Hacks* was original research inspired by earlier education programming centered on the uncertainty among issuers about disclosing their financial condition in the early stages of the pandemic. *Climate Change Disclosure Among California Enterprise Issuers*, an examination of recent climate change disclosure practices, was the inspiration for CDIAC's preconference at *The Bond Buyer California Public Finance Conference*. Guidance developed around the analysis of callable securities for the local investment portfolio enhanced investments programs held in early 2021. Integration of research work with educational programming allows CDIAC to more fully cover the dimensions of complicated public finance topics, address multiple perspectives, and adapt guidance more completely.

CDIAC made more strides in 2020 toward our goal of developing products and services that are practical and in the formats and modes consistent with contemporary learning preferences. In the summer, CDIAC released the *California Debt Financing Guide* as a customizable, multi-relational, web-based application. Also, more progress was made in the development of Elect>Ed, CDIAC's series of on-demand, online training for elected officials. The first module, *Why do Public Agencies Issue Debt*, was completed and the third module, *Debt Financing: Strategy Drives Structure*, was nearing completion at year end. CDIAC expects 2021 to bring even more significant development of CDIAC's educational products and platform as we incorporate technology and expertise gained from delivering quality education during the pandemic.

As we emerge from this crisis, CDIAC is fully engaged with confidence and optimism in its 40th year of operation. This spirit is drawn from our experience as a team in overcoming the obstacles presented by the pandemic year and our knowledge that even when times are tough we can always count on the generous support of the California public finance community. For this reason, *gratitude* is the word that comes to mind when thinking about what we have all overcome. It is with heartfelt gratitude that I say thank you, and I look forward to our collective accomplishments in a much brighter future.



Robert Berry
Executive Director

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ABOUT CDIAC

The California Debt and Investment Advisory Commission (CDIAC) provides information, education, and technical assistance on debt issuance and public funds investing to state and local public agency officials and other public finance professionals. CDIAC was created in 1981 with the passage of Chapter 1088, Statutes of 1981 (AB 1192, Costa). This legislation established the California Debt Advisory Commission as the State's clearinghouse for public debt issuance information and required it to assist state and local agencies with the monitoring, issuance, and management of public financings. CDIAC's name was changed to the California Debt and Investment Advisory Commission with the passage of Chapter 833, Statutes of 1996 (AB 1197, Takasugi) and its mission was expanded to cover the investment of public funds. CDIAC is specifically required to:

- Serve as the State's clearinghouse for public debt issuance and outstanding debt information.¹
- Publish a monthly newsletter.
- Maintain contact with participants in the municipal finance industry to improve the market for public debt issuance.
- Provide technical assistance to state and local governments to reduce issuance costs and protect issuers' credit.
- Undertake or commission studies on methods to reduce issuance costs and improve credit ratings.
- Recommend legislative changes to improve the sale and servicing of debt issuances.
- Assist state financing authorities and commissions in carrying out their responsibilities.
- Collect specific financing information on public issuance through Mello-Roos Community Facilities Districts after January 1, 1993, or as a member of a Marks-Roos Bond Pool beginning January 1, 1996; collect reports of draws on reserves and defaults from Mello-Roos Community Facilities Districts and Marks-Roos Bond Pools filed by public financing agencies within 10 days of each occurrence.

¹ The requirement to track outstanding debt of state and local agencies was added as a result of enactment of SB 1029 (Chapter 307, Statutes of 2016).

- In conjunction with statewide associations representing local agency financial managers and elected officials, develop a continuing education program aimed at state and local officials who have direct or supervisory responsibility for the issuance of public debt or the investment of public funds.
- Receive notice of public hearings and copies of resolutions adopted by a joint exercise of powers authority for certain bonds authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985.

Figure 1 summarizes CDIAC's statutory provisions.

To meet its statutory responsibilities, CDIAC divides its functions into four units: Data Collection and Analysis, Policy Research, Education and Outreach, and Administration.

Pursuant to statute, all state and local government issuers must now submit information to CDIAC at three points during the debt issuance process: 30 days prior to the proposed sale date, no later than 21 days after the actual sale date, and an annual report within seven months of the close of the reporting period ending June 30th.² Included in these reports to CDIAC are the sale date, name of the issuer, type of sale, principal amount issued, type of financing instrument, source(s) of repayment, purpose of the financing, rating of the issue, and members of the financing team. In addition, Mello-Roos and Marks-Roos bond issuers, for as long as their bonds are outstanding, must submit a yearly fiscal status report on or before October 30th. Data compiled from these reports are the basis for public issuance statistics and analyses released by CDIAC. Since 1984, CDIAC has maintained this information in the California

Debt Issuance Database and makes it accessible to the public through its DebtWatch website.³

Since 1982, CDIAC has developed a robust library of research work undertaken by staff as well as commissioned studies that improve the practices or reduce the borrowing costs of public issuer in California. This research expanded in 1996 to include providing information on the investment of public funds for local agency investment officials. CDIAC's work has supported legislative changes that benefit public debt issuance or public fund investment policy.

Since 1984, CDIAC has organized educational programs focusing on public finance. Offered at locations throughout the state, CDIAC programs are designed to: (1) introduce new public finance staff to the bond issuance and investment processes; (2) strengthen the expertise of public officials familiar with the issuance and the investment processes; and (3) inform public officials about current topics that may affect public issuance and the investment of public funds.

COMMISSION MEMBERS

Pursuant to statute, CDIAC may have between three and nine commission members, depending on the number of appointments made by the Treasurer or the Legislature. Three statewide elected officials — the State Treasurer, State Controller, and Governor or Director of Finance — serve *ex officio*. Statute names the Treasurer to be chair. Local government associations, such as the League of California Cities, may nominate two local finance officers for appointment by the Treasurer. The Senate Rules Committee and the Speaker of the Assembly may each appoint two members. Appointed members serve at the

² AB 2274, Gordon (Chapter 181, Statutes of 2014) reduced the time for the submission of final reports of debt issuance from 45 days to 21 days. SB 1029, Hertzberg (Chapter 307, Statutes of 2016) requires an annual report on the status of any debt for which a report of final sale was submitted to CDIAC on or after January 21, 2017.

³ While CDIAC has collected information since January 1, 1982, the Debt Issuance Database contains information from 1984 to present day.

Figure 1

CDIAC STATUTORY PROVISIONS

SUBJECT	CODE SECTION	AUTHORITY OR REQUIREMENT
CDIAC Authorizing Statutes	Government Code Sections 8855 - 8859	Establishes CDIAC's responsibilities.
Report of Proposed Sale of Public Debt	Government Code Section 8855(i)	Requires the issuer of any proposed state or local government debt to, no later than 30 days prior to the sale, give written notice of the proposed sale to CDIAC. On the report, local issuers must certify they have adopted debt policies that meet certain requirements.
Report of Final Sale of Public Debt	Government Code Section 8855(j)	Requires the issuer of any state or local government debt to submit, not later than 21 days after sale, a report of final sale to CDIAC including specific information about the transaction.
Annual Debt Transparency Report	Government Code Section 8855(k)	Requires the issuer of any debt for which a report of final sale has been submitted to CDIAC on or after January 21, 2017, to submit an annual report on the status of that debt until the debt is retired and the proceeds fully spent.
Mello-Roos Community Facilities Act of 1982	Government Code Sections 53356.05 and 53359.5(a) thru (c)	For bonds issued pursuant to the Mello-Roos Act, CDIAC is to receive reports of proposed and final sale, annual fiscal status reports, and notices for a default on debt service or a draw on reserve.
Marks-Roos Local Bond Pooling Act of 1985	Government Code Sections 6586.5, 6586.7, 6588.7 (e)(2), 6599.1(a), 6599.1(c)	For bonds issued pursuant to the Marks-Roos Act, CDIAC is to receive notices for hearings authorizing bond sale, resolutions authorizing bonds, reports of proposed and final sale, annual fiscal status reports, and notices for a default on debt service or a draw on reserve.
General Obligation Bond Cost of Issuance	Government Code Section 53509.5(b)	After the sale of bonds, the local agency legislative body shall submit an itemized summary of the costs of the bond sale to CDIAC.
Refunding Bonds Sold at Private Sale or on a Negotiated Basis	Government Code Section 53583(c)(2)(B)	After the sale of refunding bonds, a written statement shall be sent to CDIAC explaining why the local agency sold the bonds at a private sale or on a negotiated basis instead of a public sale.
School and Community College Districts	Education Code Sections 15146(d) (2), and (e)	The governing board of the school district or community college district shall submit an itemized summary of the costs of the bond sale to CDIAC, and ensure that all information needed to meet Government Code Section 8855 has been submitted to CDIAC.
School and Community College Districts	Education Code Section 15303(b)	The board of supervisors approving the use of school facilities improvement districts within a school or community college district in the county shall submit the adopted resolution to CDIAC.
Joint Powers Authority	Government Code Section 6548.5	For bonds issued pursuant to the Joint Exercise of Powers Act, the level of fees or charges imposed by a joint powers authority shall be disclosed to CDIAC.
Joint Powers Authority	Government Code Section 6586.7	For Marks-Roos bonds, a copy of the resolution authorizing bonds or the issuance of bonds or accepting the proceeds of bonds issued pursuant to the Joint Exercise of Powers Act shall be sent to CDIAC (certain issuers and projects are exempted from this requirement).
Joint Powers Authority	Government Code 6586.5(a)(3)	For Marks-Roos bonds, a notice is to be sent to CDIAC at least 5 days prior to a hearing where the joint powers authority will make findings and take actions with respect to financing certain improvements.
Joint Powers Authority	Government Code Section 6588.7(e)(2)	For rate reduction bonds, the issuing authority shall submit to CDIAC a statement that it is issuing the bonds and estimate the savings or local agency benefit realized from the sale of the bonds, if applicable.
City, County, and Other Agencies	Government Code Section 54418	A local agency shall send a written statement to CDIAC explaining the reason for issuing revenue bonds at a private sale rather than public.
Harbor Agency—Joint Powers Authority	Harbors and Navigation Code Section 1706(b)	Each joint powers authority shall provide an annual report regarding receipts and expenditures from the infrastructure fund and all financing activities to CDIAC.
Redevelopment Agency	Health and Safety Code Section 33664(d)	Provide a copy of the redevelopment agency's resolution specifying the financial advantage of the redevelopment agency purchasing its own bonds and a covering letter with other information specific to the bonds to CDIAC.

pleasure of their appointing power and otherwise hold four-year terms.

The 2020 Commission members serving as of June 30, 2020, included:

FIONA MA, CPA, CHAIR
California State Treasurer

Background: Ms. Fiona Ma was elected California State Treasurer in November 2018. She previously served as Chair and Vice Chair of the California State Board of Equalization from 2015 to 2019, representing more than nine million taxpayers. There, she led historic reforms to increase efficiency and transparency at the agency. As a state legislator, she was the first and only Asian-American woman ever elected California Assembly Speaker pro Tempore, the second-highest ranking office in the Assembly. During her time as a legislator, she passed landmark legislation to ban toxic chemicals in children's toys, protect small-business owners and expand opportunities for homeowners. She previously served as a San Francisco Supervisor.

Treasurer Ma has been a licensed CPA in California since 1992 and holds a bachelor's degree in accounting from the Rochester Institute of Technology (NY), a master's degree in taxation from Golden Gate University (CA), and an MBA from Pepperdine University.

She is a Member of the California Society of Certified Public Accountants, serves on the Board of California Women Lead, is an Honorary Chair and Spokesperson for the San Francisco Hepatitis B Free Campaign, and is a member of the Screen Actors Guild. Treasurer Ma is also active with the National Association of State Treasurers (NAST): 2020 Chair of ABLE Committee and a Member of the Legislative Committee.

GAVIN NEWSOM
Governor of California

Background: Gavin Newsom is the former Lieutenant Governor of California and the former

Mayor of San Francisco. Governor Newsom is widely recognized for his willingness to lead – repeatedly developing, advocating, and implementing innovative and groundbreaking solutions to some of our most challenging issues. On a wide range of topics including same-sex marriage, gun safety, marijuana, the death penalty, universal health care, access to preschool, technology, criminal justice reform, and the minimum wage.

Governor Newsom's top priorities for his administration are tackling our state's affordability crisis, creating inclusive economic growth and opportunity for every child, and standing up for California values — from civil rights, to immigration, environmental protection, access to quality schools at all levels, and justice.

BETTY YEE
California State Controller

Background: Betty T. Yee was elected Controller in November 2014, following two terms on the California State Board of Equalization (BOE). As the state's chief fiscal officer, Controller Yee chairs the Franchise Tax Board and serves as a member of the California Public Employees' Retirement System and the California State Teachers' Retirement System boards, and she continues to serve BOE as its fifth voting member. Controller Yee also serves on the board of Ceres, a nonprofit working to mobilize large investors to advance global sustainability and take stronger action on climate change. Controller Yee serves on dozens of boards and commissions with authority ranging from land management to crime victim compensation. As a member of the State Lands Commission (and chair in even-numbered years), she helps steward public trust lands, waterways, wharves, and resources—including oil, gas, and geothermal—through economic development, protection, and restoration consistent with environmental needs. Through financing authorities, Controller Yee works to create incentives to increase affordable housing in California.

Controller Yee has over 30 years' experience in public service, state and local finance, and tax

policy. As Chief Deputy Director for Budget with the California Department of Finance, she led the development of the Governor's Budget. Prior to this, she served the fiscal and policy committees in both houses of the California Legislature. She cofounded the Asian Pacific Youth Leadership Project, which exposes California high school youth to public policy and public service.

A native of San Francisco, Controller Yee received her bachelor's degree in sociology from the University of California, Berkeley, and holds a master's degree in public administration.

SABRINA CERVANTES
Assemblymember, 60th District

Background: Sabrina Cervantes was elected in November 2016 to represent California's 60th Assembly District, which includes the communities of Corona, Eastvale, Jurupa Valley, Norco, and Riverside. A committed public servant, Assemblymember Cervantes has demonstrated a history of civic engagement to enhance the communities and lives of all Riverside residents. As a lifelong Riverside County resident herself, she has been a strong advocate for families in the Inland Empire.

As a former District Director for the Assembly, she worked alongside community organizations to enhance the local economy, broaden access to higher education, and improve the access to governmental services for the residents of Riverside. Her extensive knowledge in the Riverside community has aided her in understanding the critical elements that residents need to be successful. By working alongside members in the community and elected officials, Assemblymember Cervantes is able to bring this insight in order to bring change to the residents of the 60th Assembly District.

Assemblymember Cervantes was able to work alongside officials who helped fund the start of the University of California, Riverside School of Medicine. She understands what this institution means for local residents and hopes to continue to expand access to affordable education while in the Assembly.

Prior to her public service, she worked as a Director for the California Voter Registration Project where she led and implemented strategic planning that would increase civic responsibility among new and eligible voters across California. In addition to her experience with civic engagement, she has demonstrated her commitment to fighting for the best interests of local residents through her multiple partnerships with nonprofit organizations. Cervantes is a proud member of the Human Rights Campaign (HRC) and The PICK Group of young professionals. She recently served on the Board of Directors for the University of California, Riverside Chicano Latino Alumni Association (CLA) and nonprofit organizations, TruEvolution and Women Wonder Writers.

Assemblymember Cervantes earned her Bachelor of Arts degree in political science with a minor in public policy from the University of California, Riverside, and completed an executive education program at the John F. Kennedy School of Government at Harvard University.

ASH KALRA
Assemblymember, 27th District

Background: In November 2016, Ash Kalra was elected to represent California's 27th Assembly District, which encompasses downtown San Jose, East San Jose, Evergreen, and parts of South San Jose.

Assemblymember Kalra was appointed Chair of the Assembly Committee on Labor and Employment, and also sits on the Aging and Long Term Care, Education, Judiciary, and Water, Parks, and Wildlife Committees.

Assemblymember Kalra has established himself as a leader on issues ranging from the environment and conservation to criminal justice reform, health care sustainability, housing affordability, growing our transportation infrastructure, and expanding economic opportunity to all Californians.

He previously served as a San José City Councilmember for eight years and was a deputy pub-

lic defender in Santa Clara County for 11 years prior to the City Council. He is the first Indian-American to serve in the California Legislature in state history.

Assemblymember Kalra lives in Hayes, the same San Jose neighborhood where he grew up.

STEVEN BRADFORD
Senator, 35th District

Background: In 2016, Steven Bradford was elected to represent California's 35th Senate district, which includes the Los Angeles County communities of Carson, San Pedro, Compton, West Compton, Gardena, Harbor City, Hawthorne, Inglewood, Lawndale, Lennox, West Carson, Watts, Willowbrook, and Wilmington.

Senator Bradford brings a lifetime of experience to the California State Senate. In over two decades of public service – first as a Gardena City Councilmember, then as a State Assemblymember, and now as a State Senator - Bradford has proven himself to be an unwavering citizen activist. He views himself as a public servant and not a politician. Public service was instilled in him by his parents who taught him the value of giving back to the community.

Senator Bradford made history when he became the first African American elected to the Gardena City Council. Over the 12 years that he served on the city council, he helped create robust job and economic growth and stabilized the city's budget. When he was elected to the Council, the City of Gardena was on the brink of bankruptcy and was \$27 million in debt. By the time he left the council, they had eliminated the debt, allocated \$8.5 million in reserve, increased employee salaries without raising taxes or cutting essential services, and secured millions of federal dollars for various improvement projects for North Gardena.

Prior to his service in local and state government, Senator Bradford was a Public Affairs Manager for Southern California Edison, District Director

for the late Congresswoman Juanita Millender-McDonald, Program Director for the LA Conservation Corps, and worked for seven years as a marketing and sales representative for International Business Machines Corporation (IBM).

Senator Bradford grew up in Gardena, where he resides to this day. He coached football and baseball for 16 years in Gardena's Parks and Recreation League and attended San Diego State University and California State University, Dominguez Hills, where he earned a Bachelor of Arts in Political Science. He currently serves on the board of the Mervyn M. Dymally African American Political and Economic Institute, a non-partisan public policy think tank.

JOHN M.W. MOORLACH
Senator, 37th District

Background: In March 2015, John Moorlach was elected to represent California's 37th Senate district, which covers much of Orange County, including all or portions of Anaheim, Corona Del Mar, Costa Mesa, El Toro, Foothill Ranch, Huntington Beach, Irvine, Laguna Beach, Laguna Woods, Lake Forest, Newport Beach, Orange, Tustin, and Villa Park.

While practicing as a private sector Certified Public Accountant and Certified Financial Planner, Senator Moorlach began his career in public service 25 years ago when he warned that then-Orange County Treasurer-Tax Collector Robert Citron's risky investment strategies would lead to bankruptcy.

In the aftermath, the Orange County Board of Supervisors appointed Senator Moorlach to serve out the term of County Treasurer-Tax Collector, where he took immediate steps to reorganize county finances, cut losses, lessen risk, and create efficiencies within government. He became well known nationally for his bold and effective steps in recovering the county's financial outlook, as well as for his drive for greater transparency in government financial operations.

Senator Moorlach was twice re-elected to County Treasurer-Tax Collector. In 2006, voters elected him to serve in his first of two terms on the Orange County Board of Supervisors, where he continued his focus on reforming the county's budget practices and sounding the alarm on the county's growing unfunded liabilities.

A 1977 graduate from California State University in Long Beach, Senator Moorlach was recognized in 2014 as the CSU Long Beach College of Business Administration Alumnus of the Year. Moorlach passed the C.P.A. exam in 1978 and completed his studies for the Certified Financial Planner designation in 1987. He earned a Certificate in Public Finance from the University of Delaware, Division of Continuing Education in 1995, the Certificate of Achievement in Public Plan Policy (CAPPP) in Employee Pensions in 1999 and the Trustees Masters Program in 2003 through the International Foundation of Employee Benefit Plans, and the New Supervisors Training Institute in 2007 from California State University in Sacramento in cooperation with their Center for California Studies.

SANDIE ARNOTT

Treasurer-Tax Collector, County of San Mateo

Background: Sandie Arnott is the first woman elected to the position of Treasurer-Tax Collector of San Mateo County. She was first elected in November, 2010 and re-elected in June 2014 and 2018. She is responsible for oversight of 40 staff members. She was initially employed by the Treasurer-Tax Collector's office in 1989 and served as Deputy Treasurer-Tax Collector since 2002.

Since her election, Ms. Arnott's priorities have been focused on improving payment processes, making them more efficient and green. She is a staunch supporter of the Senior Citizens and Disabled Property Tax Postponement Program, which was reinstated in 2014 and went live in 2016. Ms. Arnott sponsored AB 2738 (Chapter 472, Statutes of 2016), which was authored by Assembly-

member Kristen Olsen and signed into law by the Governor. This new law, effective January 1, 2017, disallows school districts and community college districts from claiming bond proceeds as surplus funds and withdrawing them from the county treasury for investing by a school or community college district. This law protects taxpayer dollars by ensuring they remain in the treasury and are withdrawn solely for the projects stated within the bond measure presented to voters. Ms. Arnott is currently in the process of implementing a new property tax system (TaxSys) by the Grant Street Group and is the first county in California to implement their system.

Ms. Arnott currently serves as a member of the San Mateo County Treasury Oversight Committee, ex-officio trustee and president of the San Mateo County Employees Retirement Association, and immediate past president of the California Association of County Treasurers & Tax Collectors. She was selected by State Controller Betty Yee to serve on a special Property Tax Procedures Manual Committee and was selected by the California State Association of Counties (CSAC) to serve on a CDIAC steering committee. Ms. Arnott was recently selected to serve on the Legislative Committee of the National Association of County Collectors, Treasurers and Finance Officers and also serves as the California Liaison. She is a director on the board of the North Peninsula Food Pantry & Dining Center of Daly City. She served as president of Women in County Government in 1997-98. She resides in Broadmoor with her husband, Rex, and has three grown children and two grandchildren.

NADIA SESAY

Executive Director, San Francisco Office of Community Investment and Infrastructure (OCII)

Background: Nadia Sesay served as the Executive Director of the Successor Agency to the former San Francisco Redevelopment Agency, also known as Office of Community Investment and Infrastructure (OCII). In this role, she was responsible for the economic development of the

new Transbay, Mission Bay, and Hunters Point Shipyard neighborhoods, which collectively provide over 20,000 new housing units, including approximately 7,000 affordable housing units, 400 acres of parks and open space and 10 million square feet of commercial space and the management of various properties in existing and expired project areas. In addition, OCII issues debt to finance long-term capital projects such as affordable housing, qualified developer reimbursements, and construction of infrastructure. Over \$1.0 billion in bonds are currently outstanding. The Commission on Community Investment and Infrastructure unanimously approved the appointment of Nadia Sesay as Executive Director on October 3, 2017.

Prior to joining OCII, Ms. Sesay was appointed the Director of the Controller's Office of Public

Finance for the City & County of San Francisco by then-Mayor Gavin Newsom in March 2005. As director, Ms. Sesay administered and managed the City's \$3.5 billion municipal debt portfolio including the issuance of all new debt secured by property taxes and general fund sources.

Ms. Sesay served as Treasurer on the San Francisco Community Investment Fund Board and as board member on the Transbay Joint Powers Authority. In 2015, Ms. Sesay served on the State Treasurer's Task Force on Bond Accountability, whose report in December 2015 prompted the State of California to adopt several of its recommended reforms. Ms. Sesay was awarded San Francisco's Public Managerial Excellence Award for exemplary leadership, fiscal ingenuity, and vision in 2010.

STATE AND LOCAL BOND ISSUANCE

Debt issuance by California public agencies increased by 20.4% from calendar year (CY) 2019 to CY 2020 (from \$75.9 billion to \$91.4 billion). However, the total number of transactions decreased by 2.3% (from 2,377 to 2,323) (Figure 2).^{4, 5, 6}

Figure 2

PRINCIPAL AMOUNT ISSUED AND NUMBER OF ISSUES, ALL CALIFORNIA ISSUERS
CY 2019 AND CY 2020 (\$ IN MILLIONS)

ISSUER TYPE	2019		2020		PERCENT CHANGE IN VOLUME FROM 2019 TO 2020
	VOLUME	NUMBER	VOLUME	NUMBER	
State Issuer	\$17,854	393	\$25,213	423	41.2%
Other Issuer	16,040	386	18,217	482	13.6
K-12 School District	12,833	472	14,489	491	12.9
Joint Powers Authority	10,567	736	13,089	585	23.9
City Government	9,497	208	13,616	233	43.4
City and County Government	4,925	37	2,806	34	-43.0
County Government	4,199	145	3,967	75	-5.5
TOTAL	\$75,915	2,377	\$91,398	2,323	20.4%

Note: Totals may not add due to rounding.

Source: CDIAC database as of 3/4/2021.

⁴ Total includes short-term and long-term debt.

⁵ State and local issuers include the State of California and its financing authorities, city and county governments, joint powers authorities, school districts, and other public entities, including, but not limited to, special districts, successor agencies to redevelopment agencies, community facilities districts, and community college districts.

⁶ A "transaction" is defined as any financing or portion of a financing for which a CDIAC number was generated.

In terms of the historical average, state and local debt issuance in CY 2020 was 24.8% above the 10-year average of \$73.2 billion (Figure 3).

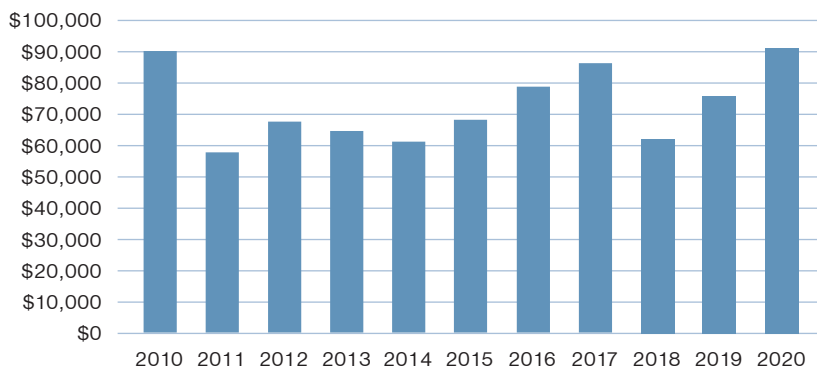
Approximately 36.8% of the debt issued in CY 2020 by state and local agencies was for capital improvements and public works, 32.4% for education, 10.2% for interim financing, 8.3% for housing, 5.3% for hospital and health care facilities, 5.8% for other, 0.7% for redevelopment,

and 0.6% for commercial and industrial development. (Figure 4).

Debt issuance increased for seven of the eight purpose categories. Increases occurred for “other” purpose (328.9%), redevelopment (131.2%), commercial and industrial development (95.5%), hospital and health care facilities (59.2%), housing (40.3%), education (24.8%), and interim financing (22.9%) between CY 2019 and CY

Figure 3

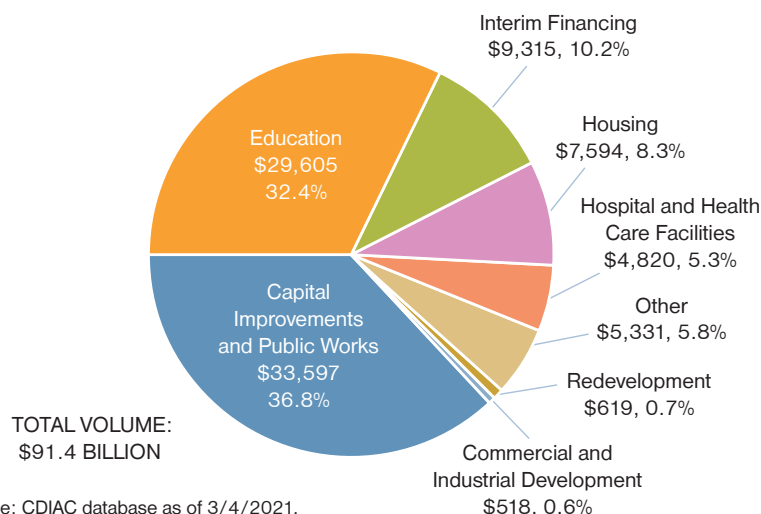
CALIFORNIA PUBLIC DEBT, ALL CALIFORNIA ISSUERS
TOTAL PAR AMOUNT BY CALENDAR YEAR, CY 2010 - CY 2020 (\$ IN MILLIONS)



Source: CDIAC database as of 3/4/2021.

Figure 4

CALIFORNIA PUBLIC DEBT BY PURPOSE
ALL CALIFORNIA ISSUERS, CY 2020 (\$ IN MILLIONS)



Source: CDIAC database as of 3/4/2021.

2020 (See Figure 5). The only purpose in which issuance declined was capital improvements and public works (2.3% decline).

LONG-TERM DEBT VS. SHORT-TERM DEBT ISSUANCE⁷

In CY 2020, public agencies issued approximately \$81.6 billion in long-term debt – 89.3% of total issuance for the year (Figure 6). The remaining \$9.8 billion was issued as short-term debt instruments, maturing in 18 months or less. Total long-term debt issuance increased by nearly 20.5% from CY 2019 to CY 2020 and short-term issuance increased by 19.4%.

Long-term issuance in CY 2020 consisted primarily of revenue bonds (44.6%) and general obligation (GO) bonds (34.3%), and short-term issuance was comprised mostly of tax and revenue anticipation notes (47.4%) and commercial paper (33.7%).

NEW MONEY ISSUES VS. REFUNDING

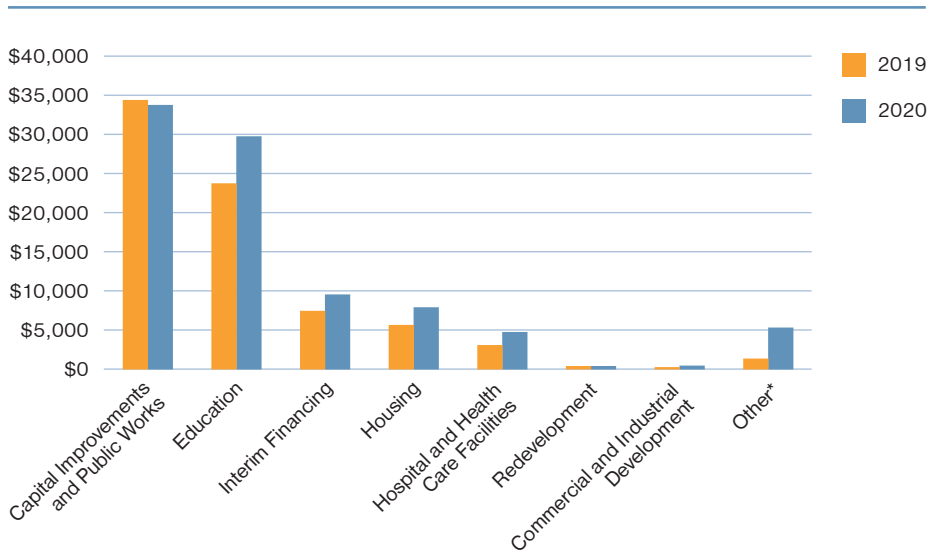
Between CY 2019 and CY 2020, new money issuance in California increased by 12.6%. California public debt issuers refunded over \$36.5 billion in outstanding debt in CY 2020, an increase of 34.3% from the \$27.2 billion refunded in CY 2019 (Figure 7).

COMPETITIVE VS. NEGOTIATED TRANSACTIONS

Public agencies may sell their debt through either a competitive or negotiated sale method. In a negotiated sale, the issuer selects the underwriter and negotiates the sale price and terms with the issuer prior to the issuance of the bonds. In a competitive sale, underwriters submit sealed bids on a specific date and the issuer selects the best bid according to the notice of sale. In CY 2020, just over 95.0% of sale

Figure 5

**CALIFORNIA PUBLIC DEBT ISSUANCE BY PURPOSE
ALL CALIFORNIA ISSUERS, CY 2019 AND CY 2020 (\$ IN MILLIONS)**



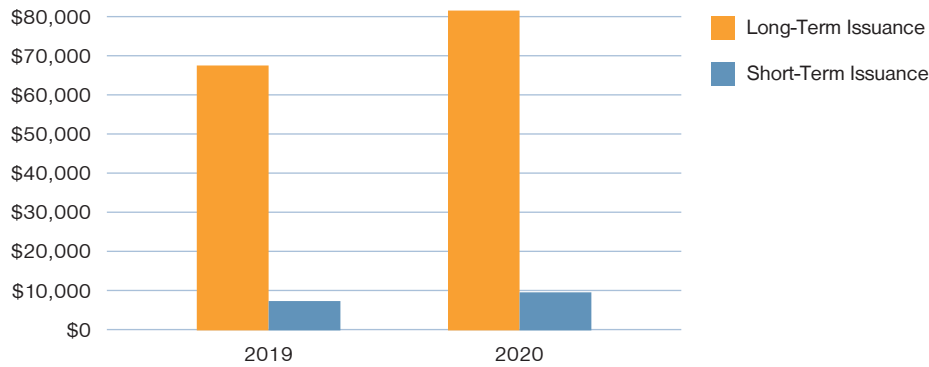
*"Other" projects include commercial energy conservation/improvement, residential energy conservation/improvement, human resources, and insurance and pension funds.

Source: CDIAC database as of 3/4/2021.

⁷ Definitions of short-term debt differ within the finance community. For the purpose of this report, CDIAC considers all forms of debt with an 18-month term or less as short-term debt.

Figure 6

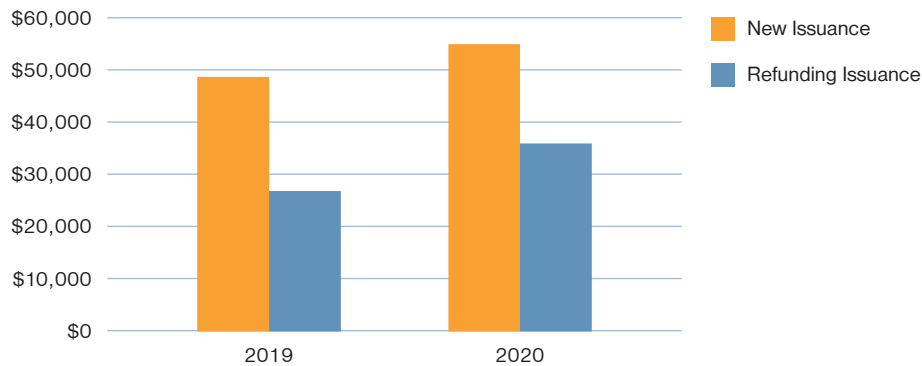
COMPARISON OF LONG-TERM AND SHORT-TERM DEBT
ALL CALIFORNIA ISSUERS, CY 2019 AND CY 2020 (\$ IN MILLIONS)



Source: CDIAC database as of 3/4/2021.

Figure 7

COMPARISON OF NEW AND REFUNDING ISSUANCE
ALL CALIFORNIA ISSUERS, CY 2019 - CY 2020 (\$ IN MILLIONS)



Source: CDIAC database as of 3/4/2021.

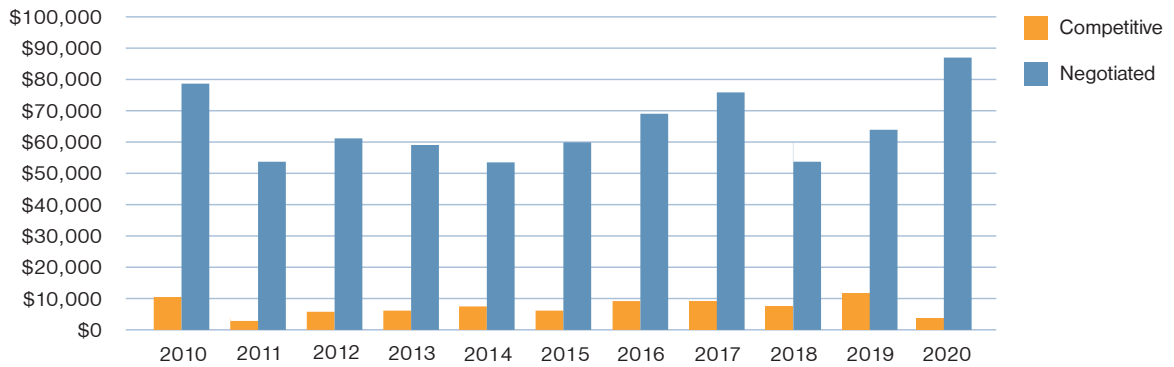
terms set forth in an official statement by California public debt issuers were negotiated. The trend over time has consistently favored negotiated sales by a wide margin. Since CY 2010, approximately 89.0% of California public debt has been issued through a negotiated sales approach (Figure 8).

The choice to use a competitive or negotiated sale method depends on multiple factors, including market conditions, an issuer's creditworthiness, the size of the issue, debt type, complexity of the financing structure, and/or the financial condition of the issuer. That said, the negotiated sale method has consistently been preferred across all issuer types in the California municipal market. (Figure 9).⁸

⁸ Definitions of short-term debt differ within the finance community. CDIAC considers all forms of debt with an 18-month term or less as short-term and applies this definition to all reports and analyses of public debt issued.

Figure 8

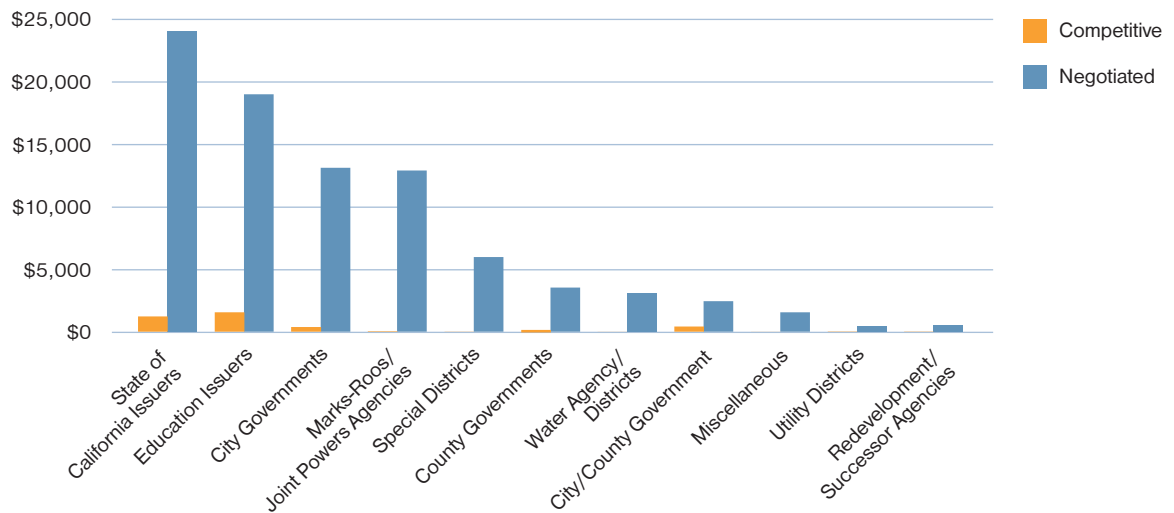
COMPETITIVE AND NEGOTIATED FINANCINGS, ALL CALIFORNIA ISSUERS
CY 2010- CY 2020 (\$ IN MILLIONS)



Source: CDIAAC database as of 3/4/2021.

Figure 9

COMPARISON OF COMPETITIVE AND NEGOTIATED SALES
BY ISSUER TYPE, ALL CALIFORNIA ISSUERS, CY 2020 (\$ IN MILLIONS)



Source: CDIAAC database as of 3/4/2021.

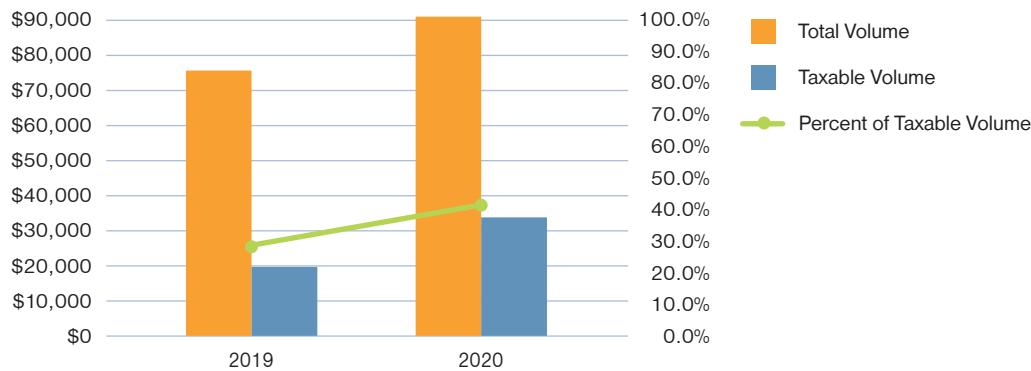
TAXABLE DEBT

Governmental issuers may utilize taxable bonds for certain projects or parts of a project that do not meet federal tax-exempt requirements (generally for projects that provide benefits to private entities as defined by tax code). Investor-led

housing projects, local sports facilities, and borrowing to replenish an agency’s underfunded pension plan are examples of bond issues that are federally taxable. The percentage of taxable issuance in CY 2020 increased to 37.0% from 26.4% in CY 2019 (Figure 10).

Figure 10

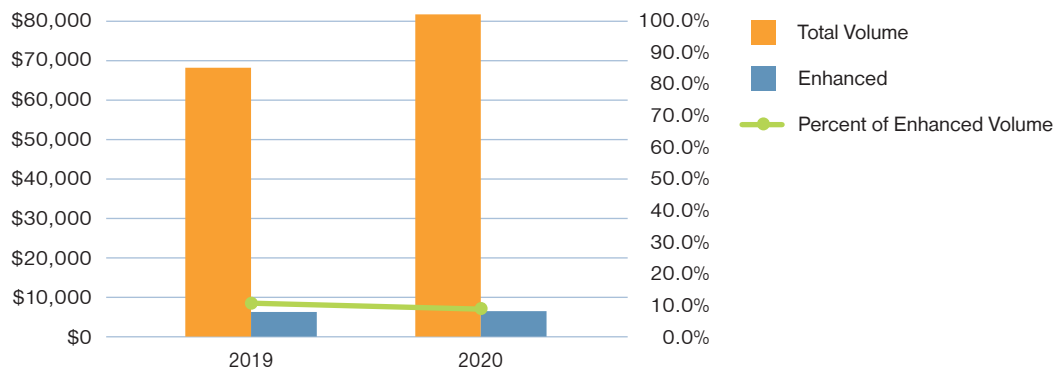
COMPARISON OF TOTAL VOLUME TO TAXABLE ISSUANCE
ALL CALIFORNIA ISSUERS, CY 2019 AND CY 2020 (\$ IN MILLIONS)



Source: CDIAC database as of 3/4/2021.

Figure 11

COMPARISON OF TOTAL VOLUME TO ENHANCED VOLUME*
ALL CALIFORNIA ISSUERS, CY 2019 AND CY 2020 (\$ IN MILLIONS)



* Does not include interim financing.

Source: CDIAC database as of 3/4/2021.

CREDIT ENHANCEMENTS

In CY 2020, the percent of volume for credit-enhanced debt decreased to 8.3% from 10.0% in CY 2019. However, the overall volume of credit-enhanced debt remained relatively steady compared to the prior year (Figure 11).

STATE DEBT ISSUANCE IN CY 2020

In CY 2020, the State of California sold \$18.1 billion in debt, of which \$16.1 billion was in the form of long-term debt and \$2.0 billion in short-term debt.⁹ State issuance accounted for 19.8% of all debt issued by public agencies in California.

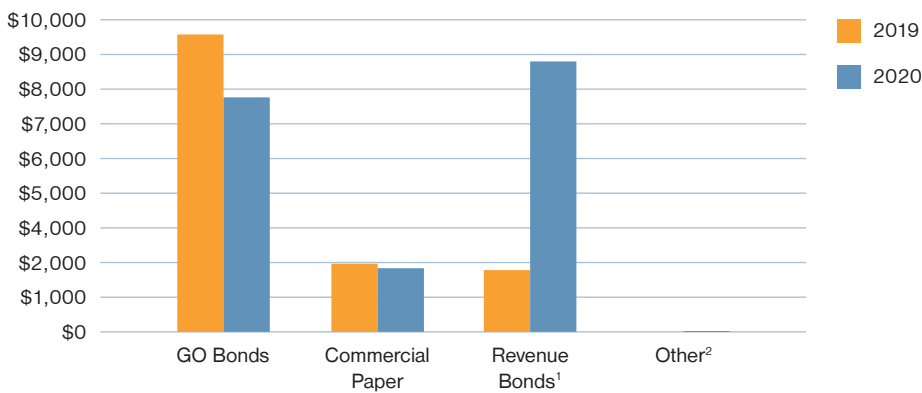
⁹ In addition to the State of California, state issuers include the California Department of Water Resources, California State Public Works Board, The Regents of the University of California, California Department of Veterans Affairs, and the Trustees of the California State University.

State issuance of revenue bonds in CY 2020 was more than quadruple the volume issued in CY 2019 (Figure 12). State issuance of GO bonds (21.3% decline) and commercial paper (8.3% decline) volume decreased significantly from CY 2019 issuance levels.

Between CY 2019 and CY 2020, state issuance volume increased in two of the five purpose categories: hospital and health care facilities (310.4%) and education (79.2%) (See Figure 13). State issuance declined in three of the five purpose categories: housing (14.9% decline), interim financing (8.3% decline), and capital improvements and public works (6.5% decline).

Figure 12

VOLUME OF STATE DEBT ISSUANCE, CY 2019 AND CY 2020 (\$ IN MILLIONS)



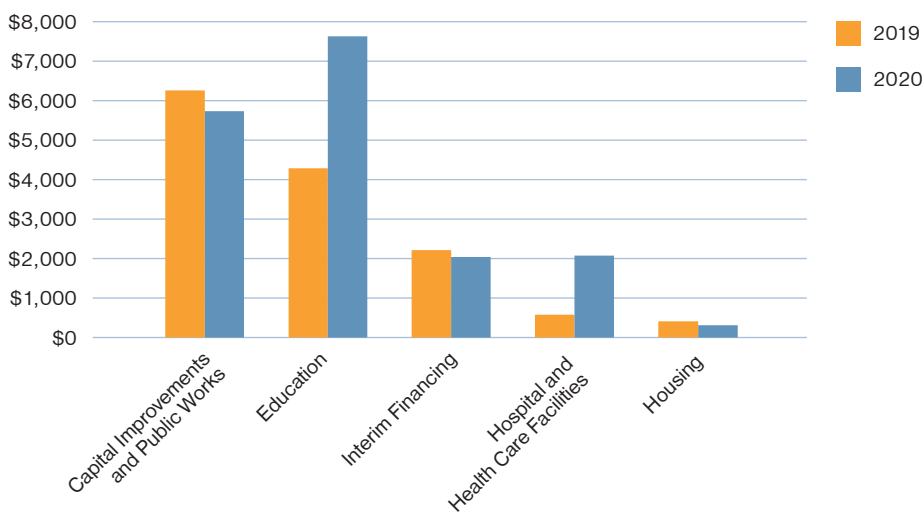
¹ Revenue bonds include public lease and public enterprise revenue bonds.

² "Other" includes Capital Lease.

Source: CDIAC database as of 3/4/2021.

Figure 13

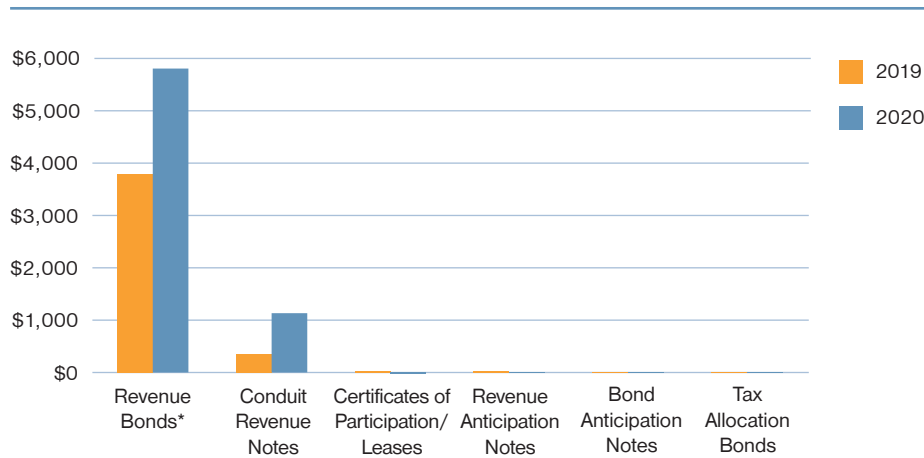
STATE DEBT ISSUANCE BY PURPOSE, CY 2019 AND CY 2020 (\$ IN MILLIONS)



Source: CDIAC database as of 3/4/2021.

Figure 14

STATE CONDUIT DEBT ISSUANCE, CY 2019 AND CY 2020
BY DEBT CATEGORY (\$ IN MILLIONS)



* Revenue bonds include conduit revenue and public enterprise revenue bonds.

Source: CDIAC database as of 3/4/2021.

OTHER STATE ISSUERS AND CONDUIT ISSUANCE IN CY 2020

Issuance volume by state instrumentalities in CY 2020 increased 72.2% from CY 2019. Overall, this category of issuers accounted for 7.8% (\$7.1 billion) of all public agency issuance in 2020.¹⁰ From CY 2019 to CY 2020, issuance increased for conduit revenue notes (264.3%) and revenue bonds (54.9%). State instrumentalities issued tax allocation bonds and bond anticipation notes in 2020, despite no issuance of those types of debt in CY 2019. Revenue anticipation notes, certificates of participation, or other lease-based debt were not issued by state instrumentalities in CY 2020, resulting in a decline of 100% in those debt types from CY 2019 (Figure 14).

In CY 2020, state conduit debt issuance increased for six of the eight purpose categories: interim

financing (439%), capital improvements and public works (136.8%), housing (103.7%), commercial and industrial development (75.9%), redevelopment, and “other.” The last two (2) categories did not have any issuance activity in 2019. Purpose categories with less issuance in 2020 were education (34.3% decline) and the hospital and health care facilities category (5.1% decline). (See Figure 15).

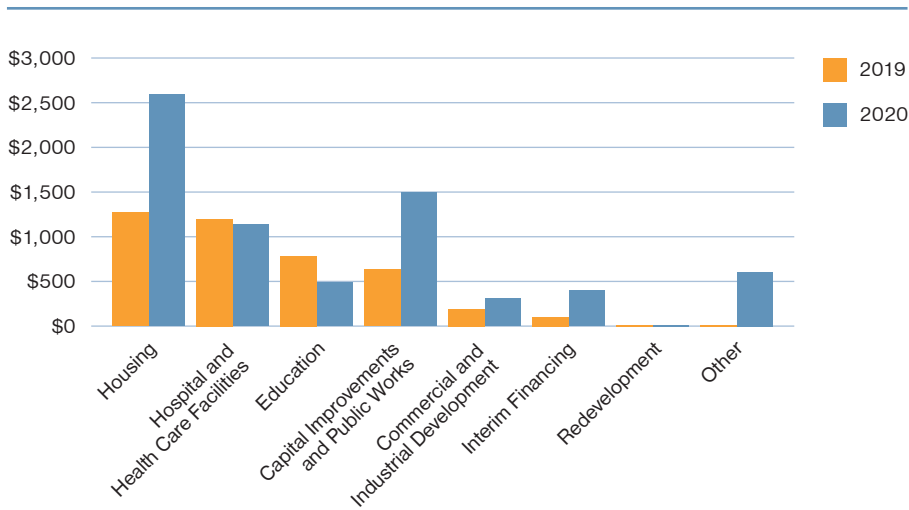
STUDENT LOAN FINANCE CORPORATION ISSUANCE

In past years, CDIAC typically received filings from three classifications of state-level student loan entities: private corporations, nonprofit corporations, and the California Education Facilities Authority (CEFA). However, CDIAC has not received any reports of debt issuance from any student loan entities since CY 2013.

¹⁰ State instrumentalities include the California Earthquake Authority, California Educational Facilities Authority, California Health Facilities Financing Authority, California Housing Finance Agency, California Infrastructure & Economic Development Bank, California Pollution Control Financing Authority, California School Finance Authority, Capital Area Development Authority, and the Hastings Campus Housing Finance Authority.

Figure 15

STATE CONDUIT DEBT ISSUANCE, CY 2019 AND CY 2020
BY PURPOSE (\$ IN MILLIONS)



* Other includes insurance and pension funds

Source: CDIAC database as of 3/4/2021.

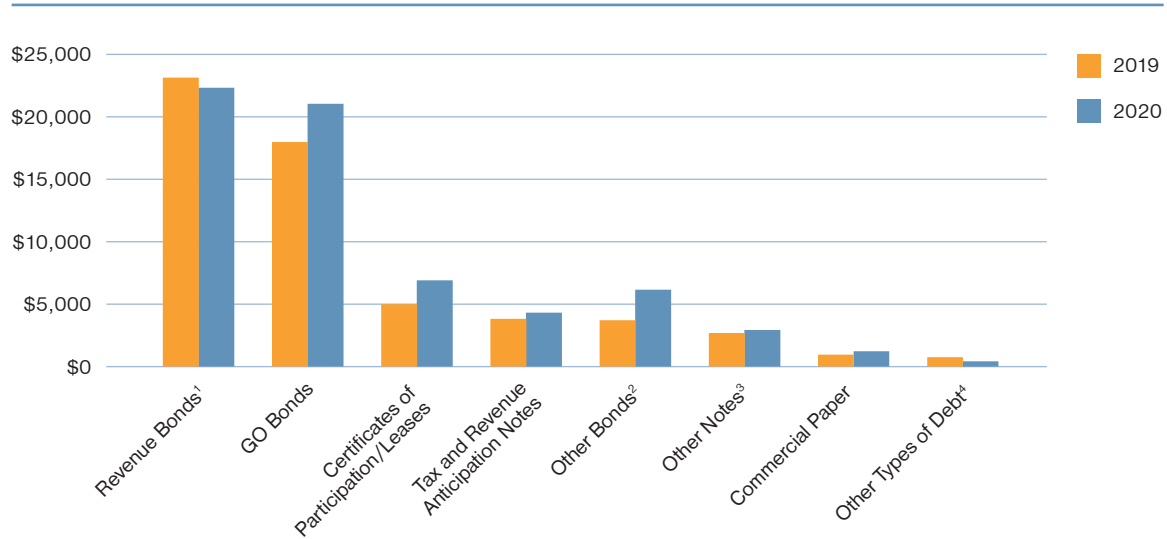
LOCAL DEBT ISSUANCE IN 2020

In CY 2020, local agencies issued just over \$66.2 billion in short-term and long-term debt, a 14.0% increase from CY 2019. Increased issuance was recorded in six of the eight debt types (Figure 16). Increases were observed in “other bonds” (75.5%), certificates of participation (32.1%), commercial paper (28.4%), tax and revenue anticipation notes (23.6%), GO bonds (16.9%), and “other notes” (16.2%). The two debt types that declined from 2019 to 2020 are “other types of debt,” which include capital leases, and various loans from banks, state agencies, or a Mark-Roos authority (15.5% decline), and revenue bonds (3.3% decline).

Between CY 2019 and CY 2020, there was an increase in local issuance in seven of the eight purpose categories, including commercial and industrial development (142.1%), redevelopment (119.4%), interim financing (30.1%), housing (24.8%), hospital and health care facilities (16.1%), education (14.7%), and “other” purposes (278.6%). The only purpose category that experienced a decline in issuance volume was the capital improvements and public works category, which declined by 4.5% (Figure 17).

Figure 16

VOLUME OF LOCAL AGENCY BOND ISSUANCE BY DEBT TYPE, CY 2019 AND CY 2020 (\$ IN MILLIONS)



¹ Revenue bonds: conduit revenue bonds, public enterprise revenue bonds, public lease revenue bonds, and sales tax revenue bonds.

² Other bonds: limited tax obligation bonds, pension obligation bonds, special assessment bonds, and tax allocation bonds.

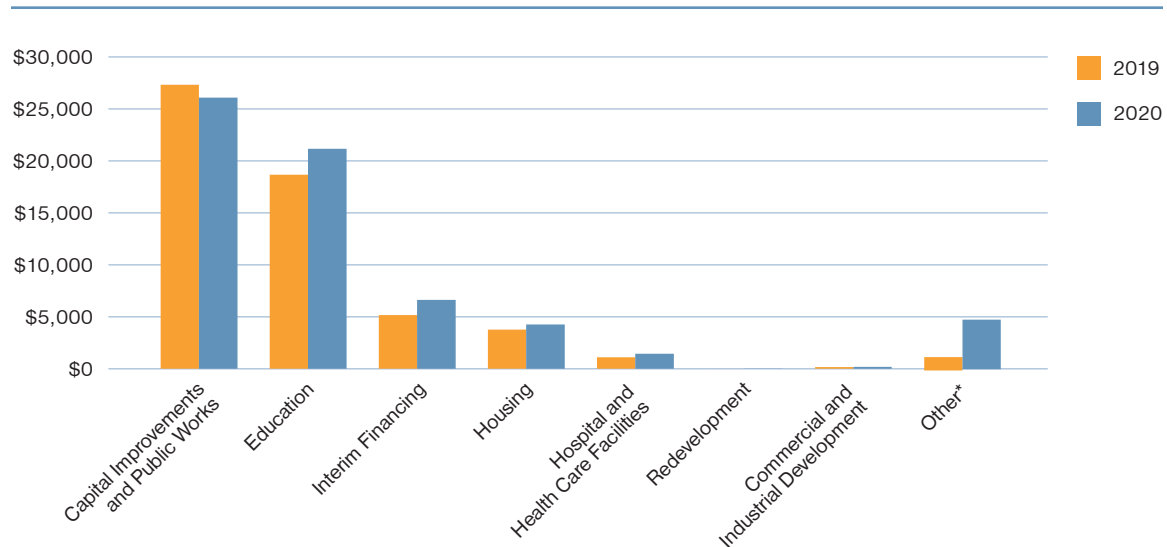
³ Other notes: conduit revenue notes, promissory notes, revenue anticipation notes, tax allocation notes, and tax anticipation notes.

⁴ Other types of debt: capital leases, loans from a bank or other institution, Marks-Roos authority loans, and State agency loans.

Source: CDIAAC database as of 3/4/2021.

Figure 17

VOLUME OF LOCAL AGENCY ISSUANCE, CY 2019 AND CY 2020, BY PURPOSE (\$ IN MILLIONS)



* Other projects include commercial energy conservation/improvement, residential energy conservation/ improvement, human resources, and insurance and pension funds

Source: CDIAAC database as of 3/4/2021.

2020 REPORT OF OPERATIONS

DATA COLLECTION AND ANALYSIS UNIT

In compliance with its statutory requirements,¹¹ CDIAC's Data Collection and Analysis Unit (Data Unit) maintains the California Debt Issuance Database (Database), which is considered the most comprehensive and accessible database of California public debt issuance in existence. The Database is the source for the debt statistics and analysis regularly released by CDIAC.

Data Collection

The Database contains information from reports submitted to CDIAC including Reports of Proposed Debt Issuance (RPDIs),¹² Reports of Final Sale (RFSs),¹³ Marks-Roos Local Bond Pooling

Yearly Fiscal Status Reports (MKR YFSRs),¹⁴ Mello-Roos Community Facilities Districts Yearly Fiscal Status Reports (MLR YFSRs).¹⁵ Mello-Roos/Marks-Roos Draw on Reserve/Default filings (DFDs), and the Annual Debt Transparency Report (ADTR).¹⁶ This information can be accessed online either through CDIAC's data portal, *Debt Watch*, or from published data sets, both are accessible from the [Debt Issuance and Election Data](#) page of CDIAC's website. The Database contains information from 1984 to the present and is updated continuously by Data Unit staff. As of March 19, 2021, the Database contained more than 67,939 issuance records.

During calendar year (CY) 2020, the Data Unit received and processed 13,435 reports a 6.6% in-

¹¹ Government Code Section 8855(h)(3).

¹² Government Code Section 8855(i) issuers of proposed new debt must give notice no later than 30 days prior to the sale date.

¹³ Government Code Section 8855(j) issuers are required to submit reports of final sale no later than 21 days after the sale of the debt.

¹⁴ The Data Unit receives annual fiscal status reports for Mello-Roos and Marks-Roos bonds issued after January 1, 1993, and January 1, 1996, respectively.

¹⁵ The Data Unit receives annual fiscal status reports for Mello-Roos and Marks-Roos bonds issued after January 1, 1993, and January 1, 1996, respectively.

¹⁶ Government Code Section 8855(k), added by SB 1029 (Chapter 307, Statutes of 2016), issuers are required to submit an annual debt transparency report for a Report of Final Sale submitted on or after January 21, 2017.

Figure 18**COMPARISON OF REPORTS PROCESSED, CY 2019 AND CY 2020**

TYPE OF REPORT	2019	2020	% CHANGE
Reports of Proposed Debt Issuance	2,468	2,542	3.0%
Reports of Final Sale	2,373	2,323	-2.1
Mello-Roos Yearly Fiscal Status Reports	1,445	1,518	5.1
Marks-Roos Yearly Fiscal Status Reports	2,325	2,709	16.5
Annual Debt Transparency Report	2,901	4,333	49.4
Mello-Roos/Marks Roos Draw on Reserve/ Default/Replenishment Filings	13	10	-23.1
TOTAL REPORTS RECEIVED	11,525	13,435	16.6%

crease over the total number of reports received in CY 2019. Figure 18 contains a breakdown of the reports processed by the Data Unit during CY 2020. In CY 2020, there was an increase of 0.5% in RPDIs and RFSs.

Effective April 1, 2017, all reports, except the ADTR, must be filed using CDIAC’s online portal.¹⁷ Recognizing that the number of ADTRs will grow exponentially each year, CDIAC identified “volume filers,” those issuers who would be required to submit 25 or more ADTRs on an annual basis to create a more efficient filing process. Volume filers submit their data on an Excel spreadsheet, which is then uploaded into CDIAC’s debt database through a batch upload process.

During CY 2020, each method of submittal for the ADTR increased significantly over the prior year (Figure 19).

In late 2020, CDIAC began working with the State Treasurer’s Office Information Technology Division (ITD) to create a streamlined process for State of California GO (State GO) bond filings. Currently, when CDIAC receives a State GO bond filing, CDIAC staff separate the debt issuance filing based on the specific bond act au-

thorities contained in the single State GO bond filing. While separating the filing enables CDIAC to capture the different bond authorities and related projects, it also results in additional CDIAC records. A proposed “rolling up” of the issues will consolidate all the separate bond act records under one CDIAC record, while still maintaining each bond authority and corresponding project in a single CDIAC record. Although this project is still under development, CDIAC recently began the process of creating a Request for Offer (RFO) to redesign the online filing interface that would support this process.

Debt Issuance Fees

A critical function of the Data Unit is the collection of the issuance fees, which are the source of CDIAC’s operational funding.¹⁸ With the adoption of CDIAC’s regulations, fees are calculated based on the principal amount of the issue multiplied by 2.5 basis points (0.0025%), not to exceed \$5,000, on all debt with a final maturity greater than 18 months. No fees are assessed for issues with a final length of maturity of 18 months or less. A detailed fee schedule is available on CDIAC’s website.¹⁹

¹⁷ California Code of Regulations, Title 4, Division 9.6, Sections 6000-6062, operative April 1, 2017.

¹⁸ Government Code Section 8856 authorizes CDIAC to charge the lead underwriter, the purchaser, or the lender a fee not to exceed one-fortieth of one percent of the principal amount of the issue not to exceed \$5,000 for any one issue.

¹⁹ Reporting Fee Schedule - Effective April 1, 2017, is located at www.treasurer.ca.gov/cdiac/reporting.asp.

Figure 19

ADTR, METHODS OF SUBMITTAL, CY 2019 AND CY 2020

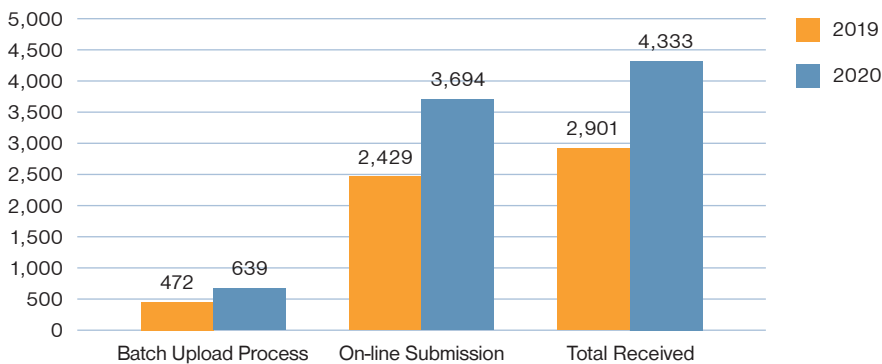


Figure 20

FEES ASSESSED, STATE AND LOCAL ISSUERS
JANUARY 1, 2020, TO DECEMBER 31, 2020

	FEES ASSESSED	# OF INVOICES
STATE	\$517,961	123
LOCAL	4,037,836	1,396
TOTAL FEES ASSESSED	\$4,555,797	1,519

In 2020, the Data Unit sent 1,519 invoices for a total of approximately \$4.6 million in fees (Figure 20).

Public Access to Debt Issuance Data

CDIAC uses a variety of online methods to provide public officials and members of the public immediate access to debt issuance data, including:

DEBTWATCH DATA PORTAL. [DebtWatch](#) provides access to debt issuance information and documents submitted to CDIAC over the past 39 years. DebtWatch provides data on both proposed and completed financial transactions – this information can be extracted and downloaded for academic and research purposes. In addition, users of DebtWatch have the ability to review and download the issuance documents that were sub-

mitted to CDIAC with the issuer’s filings. Documents vary depending upon the type of debt issued and can include official statements, bond specimens, indentures and resolutions of the governing body, promissory notes, leases, loan agreements, installment sales agreements, as well as other issuance-related disclosures.

DEBT LINE NEWSLETTER. CDIAC is required to publish a monthly newsletter describing the operations of CDIAC during the prior month.²⁰ CDIAC’s monthly publication, [Debt Line](#), includes a monthly calendar of issues, which provides comprehensive information on all reports of proposed and finalized debt issuances received during the prior month.

ONLINE TABLES AND GRAPHS. CDIAC posts monthly and annual California state and local

²⁰ Government Code Section 8855(h)(9).

debt issuance data to its website in the form of summary tables and graphs, which can be accessed through CDIAC's website. Tables showing aggregate totals on the type, purpose, and amount of debt issued and the amount refunded for the current and five prior calendar years are available [online](#).²¹ Graphs showing a comparison of debt data for the current and prior calendar year by state and local agencies are also available on CDIAC's website. The purpose and amount of proposed and completed transactions for the prior month is also posted.²²

MARKS-ROOS AND MELLO-ROOS DRAW ON RESERVES/DEFAULT REPORTS. Data on draws on reserve and defaults are posted [online](#) as the reports are received. Reports are listed by issuer and date of occurrence.²³

CDIAC recorded 4,754 hits to its *Debt Issuance and Election Data* webpage in CY 2020. Each "hit" or inquiry is recorded, as well as the purpose for which the individual visited the site (Figure 21a). CDIAC recorded 15,601²⁴ views to the DebtWatch website, which is hosted by a third party vendor, for CY 2020 (Figure 21b).

Reports

CDIAC publishes several summary reports annually, compiling data reported throughout the current calendar year and, in some cases, from past years.

MARKS-ROOS YEARLY FISCAL STATUS REPORT. This report is a summary of the information filed with CDIAC on the annual financial status of bonds issued under the authority of the

Marks-Roos Local Bond Pooling Act of 1985.²⁵ The information in this report is cumulative, reflecting bonds sold after January 1, 1996, and includes defaults and draws on reserves reported to CDIAC during the reporting period. Reports have been published up to fiscal year (FY) 2017-18 and CDIAC staff is currently compiling and verifying data for the remaining fiscal years and expects to post the FY 2018-19 report to the CDIAC website prior to the end of 2021.

MELLO-ROOS COMMUNITY FACILITIES DISTRICT YEARLY FISCAL STATUS REPORT. The Yearly Fiscal Status Report is based on information filed with CDIAC on the financial status of Mello-Roos Community Facilities District (CFD) bonds sold in California. The information in this report is cumulative, reflecting CFD bonds sold after January 1, 1993, and includes defaults and draws on reserves reported to CDIAC for the reporting period. The report for FY 2018-19 was published in July 2021. The most recent reporting period, FY 2019-20, will be published by fall 2021.

CALENDAR OF PUBLIC DEBT ISSUANCE. This annual report provides details on each issuance of public debt in California. Each listing includes the following: issuer name, county, debt type, purpose of the issue, date of sale, principal amount, and indication if the issue is a refunding. Each listing also shows the interest rate, rating, credit enhancement information, final maturity date, and major participants in the financings. The report is organized chronologically by issuer, beginning with the State of California and its departments and agencies, then lo-

²¹ Summary tables are available at: www.treasurer.ca.gov/cdiac/debtdata/debtdata.asp.

²² Graphs are available at: www.treasurer.ca.gov/cdiac/graphs/index.asp.

²³ Mello-Roos/Marks-Roos Default and Draw on Reserve Reports are available at: www.treasurer.ca.gov/cdiac/default-draw/issuename.asp.

²⁴ DebtWatch inquiries for November 3, 2020, (18,591) and November 4, 2020, (3,371) were unusually high and not reflective of the typical number of inquiries due to security audits performed on the website. Therefore, the counts for November 3 and 4 are not included in the total for the month of November in Figure 21b.

²⁵ Government Code Section 6599.1 requires issuers and local obligors of Marks-Roos bonds to make annual financial reports to CDIAC, including defaults or draws on reserves.

Figure 21a

DEBT ISSUANCE DATA WEBSITE ACTIVITY, JANUARY 1, 2020, TO DECEMBER 31, 2020

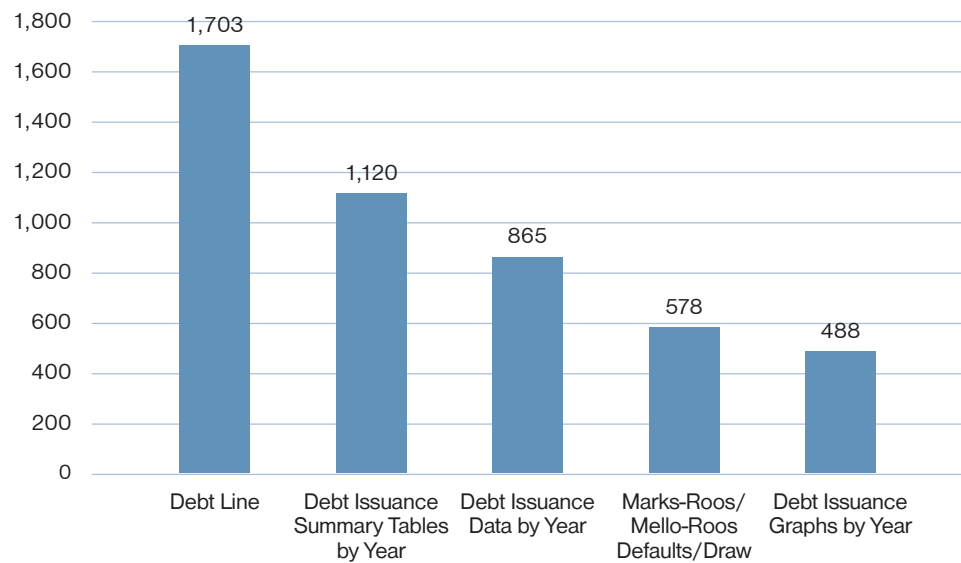
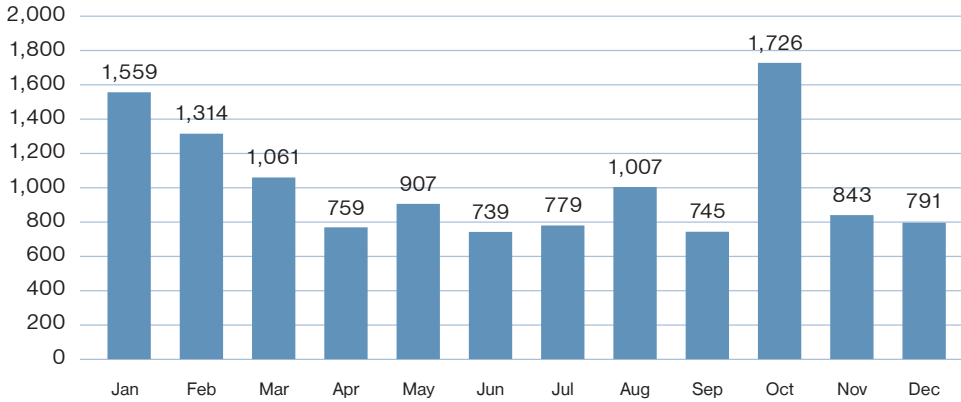


Figure 21b

DEBTWATCH WEBSITE ACTIVITY, JANUARY 1, 2020, TO DECEMBER 31, 2020



cal agencies (further sorted by county, agencies within counties, and by the sale date of the issue), and student loan corporations. The 2018 report was published in June 2019. We expect the 2019 report to be published in summer 2021 and the 2020 report in fall 2021.

SUMMARY OF CALIFORNIA PUBLIC DEBT ISSUANCE. This annual report provides aggregate summary information by issuer on major components of debt, such as long-term and short-term debt, tax-exempt and taxable debt, and refunding existing indebtedness. The tables included in the report contain statistics on both state and local agencies broken out by type of issuer, type of debt, purpose of financing, federal taxability, and whether the issue is a refunding or not. The 2018 summary tables were published in June 2019. We expect publication of the 2019 summary tables in summer 2021 and the 2020 summary tables in fall 2021.

ANNUAL REPORT. CDIAC's *Annual Report* provides an analysis of public debt issued in California for the prior calendar year. The report includes a discussion of topical events in California public finance, a review of debt issuance statistics and CDIAC activities, and a preview of CDIAC's planned programs for the following year.

Other 2020 Data Unit Projects and Initiatives

ELECTRONIC DOCUMENT STORAGE. To reduce the amount of archived materials stored both on-site and at the State's record center warehouse, staff began the digitization of records in 2009 starting with calendar year 2008 documents. This process of systematically reviewing, digitizing, and electronically storing all paper documents in an electronic document storage facility (FileNet) continued through the first two and a half months in 2020. However, due to the COVID-19 pandemic, staff began teleworking and the digitizing project has been on hold. To date, all documents from CYs 2001 through 2018 have been scanned and electroni-

cally stored. When staff physically returns to the office, CDIAC will continue scanning files from 2000. CDIAC's success with this project is largely due to a process initiated by ITD staff in June 2017. The process automatically transfers the scanned document files from a temporary file folder into FileNet with minimal action required by Data Unit staff.

MARKS-ROOS WEBINAR. In August 2020, CDIAC staff presented a webinar, *Steps for Filing Your Marks-Roos Yearly Fiscal Status Report*. The webinar was presented to coincide with the approaching annual statutory deadline on October 30th, and provided a step-by-step walkthrough of the submission of the Marks-Roos Yearly Fiscal Status Report through CDIAC's online platform. The webinar provided information helpful to both new and experienced filers; it also addressed frequently asked questions that CDIAC has received regarding this report.

TRACKING GREEN, SOCIAL IMPACT, AND SUSTAINABILITY BONDS. In July 2020 in order to address and keep track of the increase of green, social impact, and sustainability bonds, CDIAC staff began identifying these bonds internally within our Database going back to 2014. Currently, CDIAC has identified 144 bonds: 125 (86.8%) green bonds, 15 (10.4%) social bonds, 3 (2.1%) sustainability, and 1 (0.7%) green/sustainability bond.

2021 Outlook

SYSTEM AND PROCESS IMPROVEMENTS. CDIAC has initiated an RFO to develop a new interface for our online report filing system to accept RP-DIs, RFSs, ADTRs, MKR YFSRs, MLR YFSRs, and DFDs that will allow users to be able to save their reports, make edits, submit, and easily save a copy of their reports in PDF format.

CDIAC ELECTRONIC DOCUMENT STORAGE. CDIAC staff will continue its effort to complete the digitization project to cover CY 2000 through present. Our goal is to upload documents from

CY 2000 to complete this process to update the DebtWatch site.

STREAMLINING ANNUAL DEBT REPORTING. In connection with the RFO CDIAAC initiated to develop a new database, staff will continue to work with ITD and stakeholders to streamline the submittal of the ADTR for volume filers.

RECORDED VIDEO SEGMENTS FOR ONLINE DEBT AND ANNUAL REPORTING. CDIAAC staff plans to record video segments for the various debt issuance and annual reports to provide filers with easy access to information about how and when to file each type of report. These segments will present what items need to be filed in a specific report and address frequently asked questions that CDIAAC has received regarding that report. These recorded segments may be housed on CDIAAC's website or in a learning management system and updated as needed.

EDUCATION AND OUTREACH UNIT

CDIAAC's Education and Outreach Unit (Education Unit) provides continuing education to public finance officers, elected officials, and the public; develops and maintains relationship with allied organizations to provide training; and monitors the informational and educational needs of constituents.

Education Programs

CDIAAC's education programs include core seminars given on an annual or biennial basis (Figure 22), co-sponsored seminars with allied organizations that expand CDIAAC's outreach, topical seminars that address current demand for in-person programs, and webinar trainings that allow for a timely response to current issues or technical training needs.

In 2020, CDIAAC conducted two core seminars and nine webinars, for a total of 11 educational programs. Programming in 2020 was predominately online as in-person events pivoted to a vir-

tual format due to the COVID-19 crisis. CDIAAC's webinars were offered at no charge, which resulted in an increase of total registrants and attendees.

Core Seminars

CDIAAC offered the following two core programs in CY 2020 (Figure 22).

- Municipal Market Disclosure
- Fundamentals of Public Funds Investing, co-sponsored with the California Municipal Treasurer's Association (CMTA)

Co-Sponsored Events

In addition to the core seminar produced in partnership with CMTA, one additional program was delivered collaboratively through a partnership with *The Bond Buyer* in 2020.

BOND BUYER PRE-CONFERENCE. CDIAAC hosted a pre-conference, *Informing the Investment Decision: Climate Change Disclosure in the Municipal Market* at *The Bond Buyer's* 30th Annual California Public Finance Conference. This year's conference was held virtually and marked the 19th year CDIAAC has collaborated with *The Bond Buyer*. This two-part series discussed investor expectations for climate change disclosure and how issuers are contending with these expectations. Recent events and market volatility have accelerated the demand for issuer disclosure on how external impacts, such as climate change, can translate to investment risk as well as how issuers are mitigating these risks. Issuers are faced with reconciling how to account for and incorporate these risks in their financial disclosures. This dilemma is exacerbated by the unprecedented and dynamic nature of this topic, as it makes it difficult to discern what information is accurate, relevant, and "material" for the investor. This two-part series discussed investor expectations for climate change disclosure and how issuers are contending with these expectations.

Figure 22

CDIAC'S CORE SEMINARS

SEMINAR	DESCRIPTION
MUNICIPAL DEBT ESSENTIALS	<p>This three-day seminar is designed to provide municipal financing principles through lecture, short examples, and classroom interaction.</p> <p>Day One, Debt Basics, covers the fundamental elements of debt financing, from the core concepts of bond math to the types of debt state and local governments can issue. It is designed to provide municipal financing principles through lecture and short examples and exercises.</p> <p>Day Two, Planning a Bond Sale, is focused on the preparation, planning, and processes involved in issuing municipal debt, including, but not limited to, the development of a written debt policy and plan of finance, structuring debt service payments, managing cost of issuance, and credit analysis.</p> <p>Day Three, Marketing and Pricing a Municipal Bond, covers the concepts and processes involved in accessing the capital markets. The topics include a discussion of the offering document used to sell the bonds and how underwriters and issuers seek to market and price the bond. Group exercises are included to provide practical application of the concepts.</p>
ONGOING DEBT ADMINISTRATION	<p>This one-day seminar provides the knowledge needed to manage continuing disclosure, compliance with federal arbitrage rules, and the investment of bond proceeds. This curriculum focuses on the larger practices of living with an issue over the life of the bond.</p>
MUNICIPAL MARKET DISCLOSURE	<p>This one-day seminar is an in-depth presentation on the requirements for disclosure of municipal securities information to the market. Topics include federal securities laws and regulations, issuer responsibilities, and continuing disclosure compliance.</p>
FUNDAMENTALS OF LAND-SECURED FINANCING	<p>This one-day seminar focuses on the use of Mello-Roos and assessment district financing techniques, including how to form a district, issue debt, and administer liens.</p>
FUNDAMENTAL PUBLIC FUNDS INVESTING co-sponsored with the California Municipal Treasurers Association (CMTA)	<p>This two-day seminar provides fundamental concepts, tools, and strategies necessary to manage and oversee public investment portfolios. Topics include roles and responsibilities of practitioners, understanding permitted investments, establishing policy objectives, fixed income economics, and managing cash flow. In addition, panelists address structuring and diversifying an investment portfolio, benchmarking, and best practices in portfolio accounting, disclosure and reporting.</p>
ADVANCED PUBLIC FUNDS INVESTING co-sponsored with CMTA	<p>This one-and-a-half day seminar provides advanced portfolio management concepts. Topics include assessing and adjusting liquidity, understanding risk, advanced analytics, and advanced investment analysis concepts. It also includes an investment portfolio case-study simulation to allow seminar participants to place concepts into practice.</p>

Webinars

In 2020, CDAIC hosted the following eight topical educational programs.

NAVIGATING INVESTOR DISCLOSURES DURING THE COVID-19 CRISIS. The purpose of this webinar was to provide information to address COVID-induced disclosure concerns. Investors were eager for information regarding the financial position of municipal issuers. At minimum, investors expected issuers to uphold their continuing

disclosure agreements and material event notifications, and accurately describe their financial situation in initial offering documents. This webinar addressed issues such as providing accurate information regarding financial conditions when circumstances are unprecedented and dynamic; making voluntary disclosures to the market; and whether there is greater risk in disclosing nothing or disclosing what's known in the midst of economic uncertainty. Panelists aimed to provide strategies on how to navigate disclosure challenges faced by issuers.

TRANS: ESTABLISHED TOOL FOR EXTRAORDINARY TIMES. In 2020, local agencies found themselves experiencing severe revenue disruptions and unplanned expenses after state and local government policies delayed the collection of taxes and fees to soften the pandemic-induced financial shock on businesses and individuals. These actions created extraordinary revenue and expenditure patterns and short-term cash flow problems not seen since the Great Recession. This webinar presented a fundamental explanation of what tax and revenue anticipation notes (TRANS) are, how the securities are used, and how an agency prepares to access the market – individually or as part of a pool. Speakers discussed the factors an agency should consider when analyzing if this tool fits into their comprehensive financial strategy.

CALIFORNIA LOCAL PUBLIC FINANCE VIRTUAL FORUM: A CONVERSATION WITH TREASURER FIONA MA, CPA. California State Treasurer Fiona Ma, CPA, advocated for collaboration in this virtual forum to identify public finance solutions addressing the unprecedented challenges California agencies were facing from the COVID-19 crisis. The Treasurer invited colleagues to join her for a conversation about the state of public finance in California and to share questions, challenges, successes, and ideas for the restoration of California’s communities.

STEPS FOR FILING YOUR MARKS-ROOS YEARLY FISCAL STATUS REPORT. This webinar tutorial explained the process of completing the Marks-Roos Yearly Fiscal Status Report through CDIAC’s online platform. With an annual October 30th deadline, the webinar provided tips and tools helpful to both new and experienced filers and also addressed frequently asked questions that CDIAC has received regarding this annual report.

MUNICIPAL DEBT ISSUANCE FUNDAMENTALS WEBINAR SERIES. A two-part webinar series describing the debt issuance process from a bird’s-eye view, highlighting the most important information needed for a fundamental understanding of a bond issuance process. Using debt financing

as a tool to build communities and facilitate the provision of a variety of public benefits, issuers and investors of municipal debt must consider market conditions, the amount and purpose of the debt, an agency’s credit, as well as many other variables. This variability coupled with so many people involved in the process, creates an environment where members of the issuance team understand their role, but may not understand the process as a whole.

Session one, *The Path to Issuance*, covered with the issuance process including the decision to issue debt and followed the process through the sale date. Webinar objectives included gaining an understanding of the roles and responsibilities of the issuer and their financing team, initial and continuing disclosure, bond pricing, and what happens on the day of sale.

Session two, *You Sold Your Bonds, Now What?*, continued the discussion of the debt issuance process after the sale, when the issuer finds themselves at the helm and responsible for managing everything they agreed to in their Official Statement and legal documents. This session focused on what occurs from the time of sale to closing, and issuer responsibility the day after the closing through the time when the bond is repaid or refunded. Attendees gained an understanding of setting up and managing post-issuance debt administration such as tracking expenditures, maintaining tax compliance and investor relations, and managing internal controls.

MELLO-ROOS COMMUNITY FACILITIES DISTRICTS FUNDAMENTALS WEBINAR SERIES. An introductory two-part webinar series providing an overview of Community Facilities Districts (CFDs), or Mello-Roos Districts, which have been used by public agencies since 1982 to finance public infrastructure and community facilities. Due to their use as a funding tool on the majority of new developments in California, public agency employees must understand the fundamentals of CFDs and how they can be implemented to

finance infrastructure and services. The topics included the Mello-Roos act, CFD formation process, and ongoing administration requirements once a CFD has been formed.

Session one, *The Mello-Roos Community Facilities Act of 1982 and the CFD Formation Process*, introduced the Mello-Roos Community Facilities Act, reviewed of the history of CFDs, discussed pre-CFD formation considerations and specific steps involved in the CFD formation process. Participants gained a basic understanding of the role of public agency staff and financing team members in the CFD formation and ongoing CFD administration process.

Session two, *Community Facilities District Bond Issuance and CFD Administration*, addressed post-CFD formation and included an overview of the CFD bond issuance process, a discussion of a public agency’s initial and ongoing disclosure requirements, and a description of the steps involved in ongoing administration of a CFD.

Attendance at CDIAC Educational Programs

CDIAC has 3,636 registrations for education programs in CY 2020 and 2,340 participated in the events. In CY 2020, CDIAC began analyzing the participants and identified 1,325 individuals from approximately 589 organizations who attended one or more events (Figure 23).

CDIAC tracks the attendees’ organizational affiliation by public or private sector (Figure 24). A comparison of these sectors shows that 77.6% of attendees were from the public sector, a decrease from the 84% total in 2019. Organizational affiliation has historically been monitored to ensure CDIAC’s low-cost educational programs are accessible to public sector professionals. However, the majority of educational programs in CY 2020 were online and equally accessible to both public and private professionals.

Figure 23

PARTICIPATION AT CDIAC EVENTS, CY 2020

EVENT TITLE	DATE	LOCATION	TOTAL PARTICIPANTS
CDIAC SEMINARS			
Municipal Market Disclosure	3/3/2020	Irvine, CA	55
CDIAC & CMTA: Advanced Public Funds Investing	1/15/2020-1/16/2020	Claremont, CA	48
CDIAC WEBINARS			
Navigating Investor Disclosure During the COVID-19 Crisis	5/1/2020	Online	204
TRANS: Established Tool for Extraordinary Times	6/11/2020	Online	262
CA Local Public Finance Virtual Forum: A Conversation with TFM	8/12/2020	Online	236
Steps for Filing Your Marks-Roos Yearly Fiscal Status Report	8/27/2020	Online	85
Municipal Debt Issuance Fundamentals - Session 1	9/9/2020	Online	365
Municipal Debt Issuance Fundamentals - Session 2	9/16/2020	Online	318
Mello-Roos Community Facilities Districts Fundamentals - Session 1	11/10/2020	Online	374
Mello-Roos Community Facilities Districts Fundamentals - Session 2	11/17/2020	Online	313
OTHER CDIAC ENGAGEMENTS			
<i>The Bond Buyer</i> Pre-Conference	10/26/2020	Online	80

Of the public and private sectors, approximately 45% of attendees were from cities and counties; 32% were from state agencies, special districts, school districts, joint powers authorities, and other governmental entities; and 23% were from the private sector (Figure 25).

Historical Comparison of Seminar Attendance

Over the past five years, CDIAC has attracted approximately 6,055 attendees to its programs,

including educational offerings held in partnership with other organizations (Figure 26). CDIAC's programs in CY 2016 focused on in-person training and returned to webinar hosting in CY 2017, resulting in a substantial increase in overall attendance numbers. In CY 2018, staff shortages contributed to an overall decrease in offerings. Participation at in-person events and online in CY 2019 was fairly even. Beginning in late March 2020, CDIAC switched all programming to a virtual platform, due to the COVID-19 cri-

Figure 24

ATTENDANCE AT CDIAC PROGRAMS BY ORGANIZATIONAL AFFILIATION PUBLIC OR PRIVATE, CY 2020

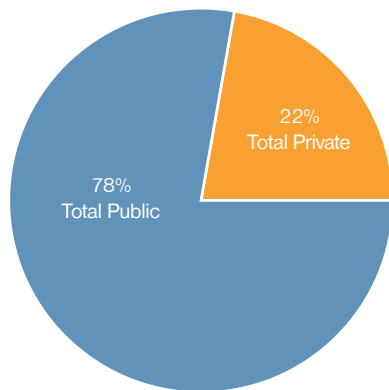


Figure 25

ATTENDANCE AT CDIAC PROGRAMS BY ORGANIZATION TYPE, CY 2020

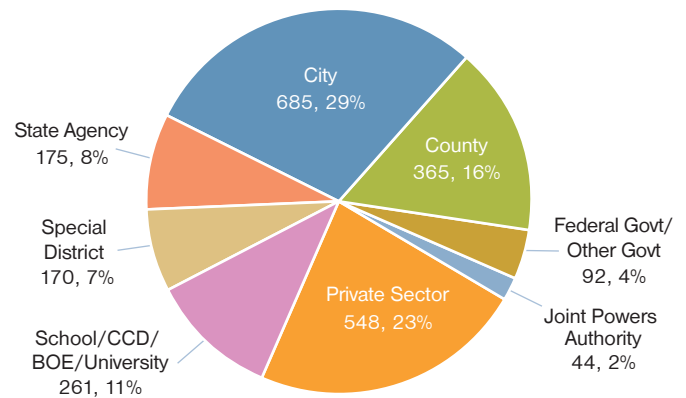
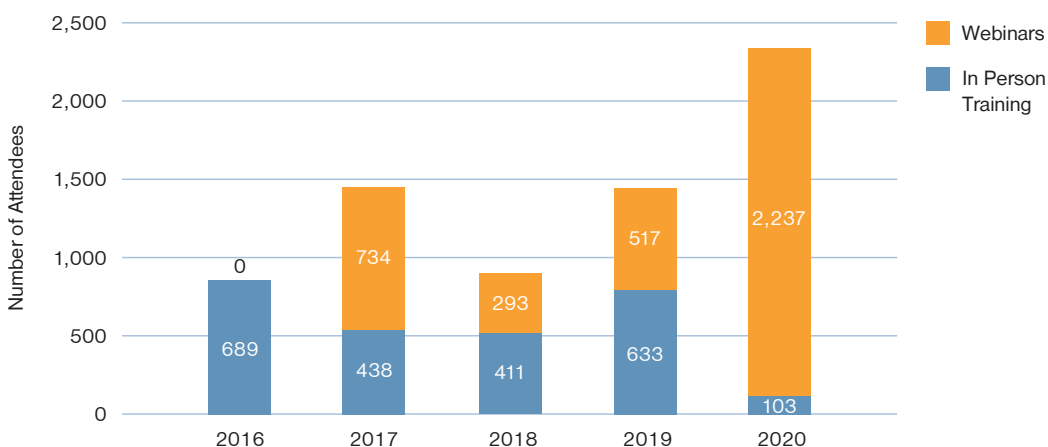


Figure 26

ATTENDANCE AT CDIAC PROGRAMS, CY 2016 TO CY 2020



sis. This contributed to a significant rise in online participation and increased educational programming attendance considerably.

Based on this five-year time span, CDIAC continues to serve its primary audience, public agencies. (Figures 27a and 27b).

Support of the State Treasurer’s Office (STO) Divisions, Boards, Commissions and Authorities (BCAs)

During CY 2020, staff in the Education Unit provided assistance to other BCAs within the STO. Using CDIAC’s webinar platform and staff expertise, approximately 3,331 stakeholders benefited from the broadcasting of eight webinars (Figure 28).

2021 Outlook – Proposed or Initiated Projects and Activities

CURRICULUM AND PROGRAM DEVELOPMENT. The two areas that will continue to affect the educational needs of California’s public agencies are: 1) educating new staff in public agencies and newly-elected officials; and 2) changes to the method and manner in which debt is issued in the municipal market. In response, CDIAC will continue to develop programming that addresses these two critical environmental forces. To do so, CDIAC is tailoring education for elected officials on debt financing and examining course offerings that address changes in debt management practices that impact California issuers.

INTERNET-BASED ON-DEMAND TRAINING. CDIAC is developing a web-based, on-demand training course on debt issuance and administration that is specific to elected and appointed officials, referred to as “Elect>Ed.” The system will allow CDIAC to track registration and develop reports to monitor the effectiveness of the program in achieving the learning objectives and reaching the target audience. The first four Elect>Ed training modules will be released on a learning management system in August 2021.

Figure 27a

ATTENDANCE AT CDIAC PROGRAMS
PUBLIC VS. PRIVATE, CY 2016- CY 2020

YEAR	% PUBLIC	% PRIVATE
2016	82	18
2017	82	18
2018	80	20
2019	84	16
2020	78	22

Figure 27b

ATTENDANCE BY ORGANIZATION TYPE
CY 2016 TO CY 2020

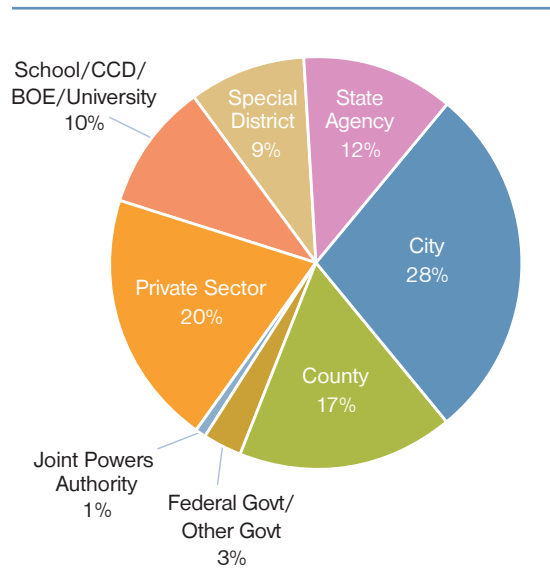


Figure 28

CDIAC PROVIDED SUPPORT TO STO BCAs
CY 2020

AGENCY	# OF WEBINARS	TOTAL PARTICIPANTS
California School Finance Authority (CSFA)	4	1,855
California Achieving a Better Life Experience (CalABLE)	3	1,144
Local Agency Investment Fund (LAIF)	1	332
TOTALS	8	3,331

TOOL-BASED TRAINING IN THE CLASSROOM. CDIAC introduced an applied learning approach into our core educational curriculum in 2016 and continued this method into 2020. Participants' feedback has shown that this approach has been a very effective training method. When in-person programming resumes, CDIAC will further integrate the applied learning approach into our educational offerings.

OUTREACH AND COLLABORATION. CDIAC plans to continue its collaboration with local, state, and national organizations. Staff will also attend regional and divisional association meetings and events to interface with professional groups to build networks and maintain a presence in the industry.

EXISTING PARTNERSHIPS. In CY 2021, CDIAC will continue its partnership with *The Bond Buyer*. Building on the success of collaborative workshops held in prior years, CDIAC will also continue to partner with CMTA to provide public investment training workshops for beginners and the advanced. In addition, CDIAC is networking with other allied organizations with the hope of furthering efforts to present other co-sponsored programs.

DIRECT PROMOTION OF PROGRAMS. As in prior years, CDIAC will continue to promote its programs through its subscribed email list and newsletter, postings on association webpages and newsletters. Social media, such as Twitter and LinkedIn, will increasingly be used for focused promotion to followers of CDIAC and the State Treasurer's Office.

STATE FINANCING BOARDS, COMMISSIONS, AND AUTHORITIES. The introduction of Microsoft Teams as an online virtual platform within the STO has provided the BCAs a tool to facilitate their own webinars replacing the need for CDIAC to provide webinar support services. CDIAC will continue to offer webinar services to BCAs; however, it is anticipated there will be a decrease in demand for CDIAC webinar support services in 2021. CDIAC intends to transition its services from operational to consultative in order to share

CDIAC's expertise in the development and operation of webinars with other BCAs as they learn to facilitate their own webinars.

RESEARCH UNIT

Government Code Section 8855(h)(5) authorizes CDIAC to undertake research projects that improve practices or reduce the borrowing costs of public issuers in California. For CY 2020, CDIAC staff have either completed or initiated the following research projects:

CDIAC Projects Completed

BENEFITS AND LIMITATIONS OF OPTION ADJUSTED SPREAD. This issue brief provided an introduction to option-adjusted spread (OAS) analysis. This brief included an overview of what OAS is, how it is used, and the assumptions and limitations of OAS analysis.

CALIFORNIA DEBT FINANCING GUIDE (GUIDE) INTERACTIVE APPLICATION DEVELOPMENT. After the publication of the Guide, CDIAC contracted for the development of the Guide into an interactive application (App). This App can be downloaded on a personal device (phone, tablet, laptop), making the Guide more accessible. The App went live in December 2020.

CLIMATE CHANGE DISCLOSURE AMONG CALIFORNIA ENTERPRISE ISSUERS. This report featured an original study of initial disclosure practices of risks of climate change for enterprise revenue issuers in California. CDIAC reviewed disclosure practices of more than 170 unique issuers over a three-year period, and found the majority of issuers did not mention climate change in the official statement, and that climate risk disclosure practices varied significantly based on several factors, including issuance size, issuance frequency, geography, year, etc.

COVID-19 DISCLOSURE DASHBOARD. CDIAC developed the COVID-19 Dashboard over the past year to provide on-going updates on the number of continuing debt disclosures submit-

ted by California public agencies in response to effects from the COVID-19 pandemic. The COVID-19 Disclosure Dashboard contains continuing disclosures submitted to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA®) system by California public agency issuers. The MSRB is no longer providing regular updates of this information and, the last update to CDIAC's COVID-19 Disclosure Dashboard was March 31, 2021.

INVESTING IN CALLABLE SECURITIES. This Issue Brief provided public investment officials with information to assist in the evaluation of callable securities. It also provided information on the key characteristics of this security, and concluded with recommendations to consider when considering whether or not to invest in callable securities.

K-14 VOTER APPROVED GENERAL OBLIGATION BONDS: AUTHORIZED, BUT UNISSUED – 2020 UPDATE. CDIAC cross-referenced K-14 GO bond issuance with the underlying voter approved authority to determine the amount of general obligation bonds that were authorized but unissued since 2002. This update included election and issuance activity for CY 2019 to the original data.

LOCAL AGENCY INVESTMENT GUIDELINES: UPDATE FOR 2020. CDIAC, working collaboratively with investment professionals, reviewed and updated the CDIAC Local Agency Investment Guidelines. This document provides references and recommendations (developed by public and private sector professionals) for interpreting and applying California statutes to common public fund investment topics related to local agencies. The 2020 Update reflected statutory changes effective January 1, 2020.

RESULTS OF THE 2019 LOCAL ELECTIONS: BOND AND TAX MEASURES APPEARING ON THE 2019 LOCAL BALLOTS. This report provided an analysis of the certified results of the bond and tax elections held by local agencies during 2019 as well as a detailed listing of each bond and tax measure by county, region, type of tax or debt, and purpose.

RESULTS OF THE 2020 PRIMARY AND LOCAL ELECTIONS: BOND AND TAX MEASURES APPEARING ON THE 2020 PRIMARY AND LOCAL BALLOTS. This bi-annual report provided an analysis of the results of the bond and tax measures on the March 3, 2020, Presidential Primary Election ballot as well as a local election that occurred on April 14, 2020. The report includes an appendix with a detailed listing of each bond and tax measure by county, region, type of tax or debt, and purpose.

TOP COVID-19 DISCLOSURE "HACKS." This issue brief featured the results of interviews with several experts in the field about best practices for issuers who were considering disclosure of the effects of the COVID-19 pandemic on their agencies. This original research addressed concerns that arose from municipal issuers related to disclosure responsibilities to investors, as many issuers expressed an "analysis paralysis" of whether, and how, to disclose the effects of the COVID-19 pandemic.

2021 Outlook: Proposed or Initiated Projects and Activities

CONVEXITY. CDIAC will review the public fund investment concept of convexity. This review will include what convexity is, how it is calculated, and applications in the public finance field. Understanding convexity allows for a stronger intuition about the relationship between changes in yield and duration for a bond. Convexity is an important consideration during periods of market volatility, as large moves along the yield curve can affect bond duration.

INVESTMENT POLICY REVIEW. CDIAC will review local investment policies for compliance with the CMTA policy certification guidelines and the Government Finance Officers Association (GFOA) recommended best practices. Local agencies in California may voluntarily certify their policies with CMTA to verify they have adopted investment policies that comply with industry best practices. This review will examine the extent to which local agencies are adhering to industry best practices.

K-14 VOTER APPROVED GENERAL OBLIGATION BONDS: AUTHORIZED, BUT UNISSUED - 2021 UPDATE. CDIAC will cross-reference K-14 GO bond issuance with the underlying voter approved authority to determine the amount of general obligation bonds that were authorized but unissued since 2002. This update included election and issuance activity for CY 2020 to the original data.

K-14 VOTER APPROVED GENERAL OBLIGATION BONDS: AUTHORIZED, BUT UNISSUED ANALYSIS OF OUTSTANDING AUTHORITY. CDIAC will research why some issuance authority from prior years remains unused and if issuers have authorized new authority since original issuance in prior years.

LEASES IN CALIFORNIA, THEIR FORM AND FUNCTION. CDIAC will update prior research and review current lease trends in California. This analysis will include a review of the impacts of recent court decisions related to school leases. CDIAC will also analyze disclosure data to assess the organizations most commonly issuing lease deals and how leases are used.

LOCAL AGENCY INVESTMENT GUIDELINES: UPDATE FOR 2021. CDIAC, working collaboratively with investment professionals, will review and update the CDIAC Local Agency Investment Guidelines. This document provides references and recommendations (developed by public and private sector professionals) for interpreting and applying California statutes to common public fund investment topics related to local agencies. The 2021 Update reflects statutory changes effective January 1, 2021.

LOCAL AGENCY INVESTMENT GUIDELINES (LAIG) INTERACTIVE APPLICATION DEVELOPMENT. Building on the success of the California Debt Financing Guide Interactive application, CDIAC intends to contract for the development of the LAIG into an interactive application (App). This App will be able to be downloaded on a personal device (phone, tablet, laptop), making the LAIG more accessible.

MARKS-ROOS REPORTING: 20-YEAR REVIEW OF MARKS-ROOS ANNUAL REPORTING TO CDIAC. CDIAC will review 20 years of Yearly Fiscal Status Reports filed by issuers and obligors of Marks-Roos financings with CDIAC covering Fiscal Years 1996-97 through 2016-17. This review will identify trends in Marks-Roos issuance, highlighting market or legislative changes in Marks-Roos issuance practices.

PENSION EDUCATION FOR ELECTED OFFICIALS. CDIAC is developing an education module for local elected officials to help them navigate pension funding basics, including common terminology, and understanding their role in funding decisions. This education module consists of two pre-recorded webinars available for viewing anytime from the CDIAC website.

RESULTS OF THE 2020 GENERAL ELECTION: BOND AND TAX MEASURES APPEARING ON THE 2020 LOCAL AND GENERAL BALLOTS. This bi-annual report will provide an analysis of the certified results of the bond and tax elections held on November 3, 2020 General Election as well as local elections that occurred on May 5, 2020, and June 23, 2020. This report includes a detailed listing of each bond and tax measure by county, region, type of tax or debt, and purpose.

REVIEW OF LOCAL CANNABIS TAX MEASURES. CDIAC will review local bond and tax measures that apply to cannabis since the passage of Proposition 215 (Medicinal Marijuana). The review will explore the history of cannabis in California and its path to full legalization. It will also highlight the different ways that cannabis is being taxed in California, examine the banking regulations related to its monetary proceeds, and explore how California's financial regulations compare to other states.

Ongoing Research Activities

DEBT AND INVESTMENT LEGISLATION AFFECTING STATE AND LOCAL GOVERNMENTS. CDIAC will continue to monitor the status and main-

tain an inventory of important state and federal legislation affecting public finance, municipal bond issuance, and public funds investing. Published periodically in *Debt Line* during the legislative session, the online inventory includes helpful links to the most current information on pending legislation.

DEBT LINE. CDIAC will continue to publish *Debt Line*, a monthly newsletter including issuance statistics and analysis, research articles, important dates and details arising from MSRB and SEC regulatory activities, and announcements of educational programming provided by CDIAC and allied organizations.

OUTREACH AND COLLABORATION WITH PUBLIC FINANCE ORGANIZATIONS. CDIAC will continue to work with public finance organizations,

public agencies, and research organizations to identify and assess new forms of public debt and investments coming into the market. This collaboration helps to keep CDIAC informed of market trends and emerging products and practices to produce research that is timely and relevant.

WEEKLY SNAPSHOT OF PROPOSED DEBT ISSUANCE BY CALIFORNIA ISSUERS. CDIAC provides information about proposed debt issuance activity for California's public agencies. This "snapshot" of data provides the market with summary-level information about the term of the proposed debt, identifies if the proposed debt is "new money" or a refunding, and includes private placement activity. The information provided in the Weekly Snapshot is from the Reports of Proposed Debt Issuance (RPDI) that are submitted to CDIAC by public agency issuers prior to issuance.



CDIAC

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