



**CITY OF ALBUQUERQUE, NEW MEXICO**  
**DEPARTMENT OF FINANCE AND ADMINISTRATION**  
**Treasury Division**

**BOND RELATED**  
**DISCLOSURE PROCEDURES POLICY**

**September 25, 2015**

1. Introduction. Under the federal securities laws, issuers of municipal securities may neither make a misstatement of material fact, nor make a statement that is misleading (in light of the circumstances in which it is made) due to the omission of a material fact, in connection with the purchase or sale of securities. “**Federal Securities Laws**” include the Securities Exchange Act of 1934, as amended, and the Securities Act of 1933, as amended, including in particular, Rule 15c2-12, as amended, promulgated under the 1934 Act and other applicable federal rules, regulations and orders.

2. Purpose. These Disclosure Procedures are designed to (a) ensure the completeness and accuracy of the federal securities disclosure made by the City of Albuquerque, New Mexico (the “**City**”) and the City’s (including the City’s officers and staff in the exercise of their official duties) compliance with all applicable state and Federal Securities Laws and contractual obligations in connection with issuance and disclosure undertakings relating to its outstanding general obligation and gross receipts tax bonds and Annual Information Statements (“**AISs**”), and (b) promote best practices regarding disclosures disseminated to investors and the municipal securities markets by the City.

3. Disclosure. The controls and procedures set forth herein shall apply to all Disclosure disseminated or communicated by the City. “**Disclosure**” includes any information or communications reasonably likely to reach investors or the securities markets, such as preliminary and final official statements relating to the City’s bonds, filings made by the City with the Municipal Securities Rulemaking Board (whether required by contract or made voluntarily), press releases which could reasonably be construed as intended for the financial markets, investor calls, rating agency presentations and other communications, and certain postings on the City’s website. These Disclosure Procedures supersede Administrative Instruction No. 2-5 entitled, Contact with and Distribution of Information to Municipal Bond Rating Agency Representatives by City Staff.

4. Disclosure – Issuance of Bonds.

a. *Responsibilities of Treasurer.* The City Treasurer shall be responsible for overseeing the compilation of the preliminary and final official statements to be used by the City in connection with the offering and issuance of its bonds (the “**Official Statements**”) and AISs and for review of other disclosure obligations of the City undertaken in connection with such bond issuance. In the carrying out of these responsibilities, the Treasurer shall coordinate with, and be provided with assistance from, among other professionals, Disclosure Counsel and the Financial Advisor to the City. This oversight responsibility shall include the following:

- Develop a separate checklist or similar outline for the City’s Official Statements for each of its bond structures. Each of these checklists shall list the categories of information in the applicable Official Statement and identify the person or persons (whether internal to the City or a third-party consultant to the City, including those listed in Attachment A) who should be responsible for reviewing or contributing the information in each portion of such Official Statement (a “**Contributor**”).
- Ensure that each Contributor receives a copy of each draft of the Official Statement and the checklist indicating his or her responsibilities with

sufficient time to permit such Contributor to perform a thoughtful and thorough review or preparation of information for the applicable portion of the Official Statement. Gather such applicable information and comments from each Contributor.

- Provide information and comments submitted by Contributors to Disclosure Counsel and coordinate with Disclosure Counsel to develop a draft Official Statement for the Bond issue.
- Distribute applicable sections of such Official Statement or AIS as revised to the respective Contributors for further review and comment. Document confirmation by each Contributor that the information provided by such Contributor has been properly incorporated in such Official Statement draft and is accurate and complete as so incorporated. Contributor confirmation may be provided by means of indications on checklist.
- Schedule and conduct periodic internal and external meetings of Contributors, either in groups or individually, and Disclosure Counsel for the purpose of discussing the City's financial status generally and its annual audited financial statements, its related programs, the related industries, and other issues affecting the City and its bonds that may be material to investors.
- Schedule and conduct periodic presentations by external financial auditors to the City and to the City Council concerning the auditors' findings prepared for and presented to the City Treasurer's Office.
- Review all continuing disclosure obligations in connection with the City's Bonds.

b. *Responsibilities of Contributors.* All Contributors to the City's Official Statements shall be responsible for the following:

- Delivery and review of comments and information as requested (by means of a checklist or otherwise) for purposes of inclusion in the applicable Official Statement.
- Review of applicable portions of the revised Official Statement and provide confirmation (which may be provided by means of indications on a checklist) that the information provided by such Contributor has been incorporated correctly and, as so incorporated, such portions of the Official Statement present accurate and complete information to investors about the items so covered by such portions.
- Attend periodic meetings (as applicable) to discuss broad issues concerning the City and its Official Statements.
- In the case of third-party or expert Contributors, provide certifications and opinions relating to their contributions to Official Statements as appropriate.

c. *Responsibilities of the Department of Finance and Administrative Services.* The Department of Finance and Administrative Services and Office of Budget shall review and provide general comments to any draft Official Statement promptly upon receipt. The Department of Finance and Administrative Services and Office of Budget shall have the opportunity to ask questions of any Contributor as to the form or content of their contribution to

the draft Official Statement. Certify to the accuracy and completeness of all financial information concerning the City which is contained in the draft Official Statement, including confirmation that there are no material differences in presentation of financial material in the Official Statements from the City's most recent audited financial statements, except such differences as may be necessary to update such audited financial statements.

d. *Responsibilities of the City Attorney.* The City Attorney's Office shall have the following responsibilities with respect to Disclosure by the City:

- Review and provide general comments to any draft Official Statement promptly upon receipt and draft descriptions of any material current, pending or threatened litigation. Certify to the accuracy and completeness of the discussion of City litigation matters in the Official Statement.
- The City Attorney's Office shall have the opportunity to ask questions of any Contributor as to the form or content of their contribution to the draft Official Statement.

e. *Responsibilities of Disclosure Counsel.* Disclosure Counsel shall have the following responsibilities with respect to Disclosure by the City:

- Provide an initial draft Official Statement to the City Treasurer for distribution to Contributors and, at the request of the City Treasurer, distribute drafts or sections to Contributors and draft timelines for the review of the City Treasurer.
- Confirm that all steps required by the Disclosure Procedures have been followed in connection with preparation of a particular Official Statement. No Official Statement relating to City Bonds shall be submitted to the City Council for approval or to the City Treasurer for certification until and unless Disclosure Counsel has completed this confirmation.
- Provide information to participants for review and confirm with participants that no issues have been raised regarding the draft Official Statement based on such review.
- Perform annual review and evaluation of the Disclosure Procedures and confirm to the City whether or not changes to such Disclosure Procedures are recommended.
- Review and approve any continuing disclosure obligations or statements in connection with any City Bond issuance.

## 5. Disclosure in Connection with Outstanding Bonds.

a. Continuing Disclosure Obligations. The City Treasurer shall be responsible for overseeing compliance by the City with its continuing disclosure obligations, including but not limited to its AIS, the compilation and filing of all annual financial reports and filing of all annual financial statements of the City, as applicable. The City Treasurer shall also consult with Disclosure Counsel to the City to determine whether an event notice is required to be filed under the circumstances. If a determination is made that notice is required for an event listed in a continuing disclosure undertaking, the City Treasurer shall work with Disclosure

Counsel to prepare a draft of such notice in a timely manner and shall provide such draft notice to the City Attorney for review and comment. Disclosure Counsel shall be directed to file such notice with the MSRB once the notice has been approved by the City Treasurer and the City Attorney's Office. Generally, the process for the annual preparation of the AIS shall follow the guidelines set forth for disclosure made in connection with the issuance of bonds as set forth in Section 3 of these procedures.

b. Voluntary Filings. The City Treasurer shall evaluate whether an event is appropriate for disclosure by the City on a voluntary basis, based on investor demand or otherwise. Upon a determination that a voluntary notice should be filed, the City Treasurer shall work with Disclosure Counsel to prepare a draft of such notice and shall provide such draft notice to the City Attorney for review and comment. Disclosure Counsel shall be directed to file such voluntary notice with the MSRB once such notice has been approved by the City Treasurer and the City Attorney's Office.

c. Press Releases. Press releases relating to City Bond issuances are prepared by the Mayor's Office in consultation with the City Treasurer. The City Treasurer shall consult with Disclosure Counsel prior to approving such press release.

d. Investor Communications. The City Treasurer shall be responsible for overseeing the responses to all telephone, email and other inquiries from existing and potential investors in the City's Bonds. All City staff shall transfer such inquiries regarding investment matters to the City Treasurer (or delegated staff under the City Treasurer's supervision). Investors shall be directed to information provided on the City's website or shall be given a written response to any inquiry whenever practicable.

6. Rating Agency Communications. All information provided by the City or for the City at its direction to any rating agency providing a rating for the City's Bonds shall be reviewed for accuracy and completeness and approved by the City Treasurer, the Director of the Department of Finance and Administration, and the City's Financial Advisor

7. Website Postings. The City Treasurer and Disclosure Counsel shall coordinate on the management of the bond disclosure section of the City's website. The City Treasurer shall be responsible for the content of all items posted on that section of the website, and for directing the removal or transfer to a clearly identified archived location of all items which are no longer timely.

8. Training. The City Treasurer and Disclosure Counsel shall be responsible for coordinating regular training sessions for City administrative and council services staff members about their obligations under the Federal Securities Laws and regulations and other federal and state laws affecting the City's issuance of bonds. Training shall be provided for general background and overview purposes and, as applicable, to update City administrative and council services staff and City Council members concerning recent changes in applicable laws or regulations.

Approved by the City of Albuquerque, New Mexico this \_\_\_\_ day of \_\_\_\_\_, 2015

**Attachment A**

**Contributors to Official Statements and AISs**

**Department of Finance and Administrative Services**

Director

Deputy Director

**City Treasury**

City Treasurer

Investment Officer

**Office of Management and Budget**

Budget Officer

City Economist

**Risk Management Division**

Risk Manager

**Accounting**

Controller

**City Legal**

Assistant City Attorney

**City Council Services**

Director of Council Services

**Aviation Department**

Director

Associate Director

**Solid Waste Management Department**

Fiscal Manager

**Department of Family & Community Services**

Director

**Transit Department**

Director

**Disclosure Counsel**

**Bond Counsel**

**Financial Advisor**