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Continuing Disclosure Requirements – A Continuing Saga

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Most municipal securities market participants have become familiar with the SEC Rule 15c2-12 amendments, promulgated in 1994 (the 1994 Amendments), that require participating underwriters to reasonably determine that the issuer (or the obligated person) has made a written commitment (typically in the form of a continuing disclosure certificate or agreement) to provide “continuing disclosure” in connection with non-exempt issues of municipal securities sold on or after July 3, 1995.¹

In 2008, the SEC announced several new amendments to the Rule effective July 1, 2009 (the 2009 Amendments), some of which affect only continuing disclosure commitments that are to be made with respect to municipal securities sold on or after July 1, 2009, and others of which also affect the commitments made with respect to municipal securities sold on or after July 3, 1995 and before July 1, 2009.

BACKGROUND – CONTINUING DISCLOSURE UNDER THE 1994 AMENDMENTS

The 1994 Amendments required underwriters to obtain different types of commitments from “large” issuers and obligated persons (generally, those with more than \$10 million of outstanding securities at the time they issue the securities with respect to which the commitment is made) and “small” issuers and obligated persons (the rest). Large issuers were to commit to make annual financial information and operating data and material event filings with nationally recognized municipal information repositories (NRMSIRs) and any state information depository (the SID - in the case of Ohio issuers, OMAC), while small issuers were to make a more limited commitment to make material event filings with the NRMSIRs or the Municipal Securities Rulemaking Board (the MSRB) and the SID and to provide annual information and operating data that was customarily prepared and publicly available either to any person, upon request, or to the SID. OMAC has historically encouraged small issuers (and obligated persons) to file their annual information and operating data with OMAC (rather than to simply make it available on request).

¹ Issues meeting one of the following descriptions are exempt from the Rule’s continuing disclosure requirements: (1) issues under \$1 million and (2) issues over \$1 million but in denominations of \$100,000 or more and for which there are 35 or fewer buyers or for which the maturity is nine months or less. Issues with maximum maturities of 18 months or less are exempt from the requirement to provide annual information and operating data but are not exempt from the requirement to provide material events notices.

EFFECT OF 2009 AMENDMENTS AND RELATED DEVELOPMENTS

FOR ISSUES SOLD ON OR AFTER JULY 3, 1995 AND PRIOR TO JULY 1, 2009

Generally, the continuing disclosure commitments of all Ohio issuers and obligated persons with respect to municipal securities sold on or after July 3, 1995 and before July 1, 2009 will remain in effect until those securities are retired; however, the 2009 Amendments and related developments will affect those continuing disclosure commitments as follows:

As to Commitments of Large Issuers and Other Obligated Persons:

- The SEC has reduced the number of NRMSIRs from four to one and named the MSRB to be the sole NRMSIR. Thus, the **filings of annual financial information and operating data in the nature of that included in the final official statement in connection with the primary offering of the securities (including filings of audited financial statements) and filings of material event and other required notices of large Ohio issuers and obligated persons are now to be made only with the MSRB and OMAC.**
- The MSRB has created an Electronic Municipal Market Access (EMMA) system and is accepting required continuing disclosure filings and notices **only** through that system in an electronic format and with accompanying identifying information prescribed by the MSRB. (See the discussion below under **EMMA System Filings.**)
- OMAC and the MSRB have agreed that electronic copies of all filings made by Ohio issuers and obligated parties on the EMMA system will be made available to OMAC on the date of filing. Accordingly, **OMAC has requested issuers and obligated parties (or their disclosure counsel or agent on their behalf) to accomplish their filings with OMAC, including filings of their audited annual financial statements and other annual disclosure information for the fiscal years ending on or after June 30, 2009, by filing the documents through the MSRB's EMMA system at www.emma.msrb.org rather than by mail or e-mail at the prior addresses OMAC provided for that purpose.**
- The issuers and obligated persons may obtain receipts for their filings through the EMMA system, and OMAC has advised that, until further notice, it will also deem those receipts as evidence that the filings have been made with OMAC.

As to Commitments of Small Ohio Issuers and Other Obligated Persons:

- With respect to annual information and operating data customarily prepared and publicly available, small issuers and obligated persons may, as specified in their commitments with respect to issues sold before July 1, 2009, either (i) file the information and operating data with OMAC or (ii) make it available to any person on request. (OMAC is continuing to encourage small issuers and obligated persons to make annual filings of information and operating data with OMAC.) **Small issuers and obligated persons are not required to file the information and operating data with the MSRB with respect to issues sold before July 1,**



2009.

- With respect to material event and other notices, the SEC has reduced the number of NRMSIRs from four to one and named the MSRB to be the sole NRMSIR. Thus, **filings of material event and other required notices of small Ohio issuers and obligated persons are now to be made only with the MSRB and OMAC.**
- The MSRB has created an Electronic Municipal Market Access (EMMA) system and is accepting filings of notices **only** through that system in an electronic format and with accompanying identifying information prescribed by the MSRB. (See the discussion below under **EMMA System Filings.**)
- OMAC has requested issuers and obligated parties (or their disclosure counsels or agents on their behalf) accomplish their filings with OMAC, including the filing of annual information and operating data for the fiscal years ending on or after June 30, 2009, by filing the documents through the EMMA system at www.emma.msrb.org rather than by mail or e-mail at the prior addresses OMAC provided for that purpose. However, OMAC will continue to accept paper filings or direct e-mail filings at those prior addresses from issuers and obligated parties who choose not to file electronically.
- The issuers and obligated parties may obtain receipts for their electronic filings through the EMMA system, and OMAC has advised that, until further notice, it will also deem those receipts as evidence that the filings have been made with OMAC.

FOR ISSUES SOLD ON OR AFTER JULY 1, 2009

The 2009 Amendments and related developments require continuing disclosure commitments with respect to municipal securities sold on or after July 1, 2009 as follows:

As to Commitments of Large Ohio Issuers and Other Obligated Persons:

- **The continuing disclosure commitment must be to provide filings of annual financial information and operating data in the nature of that included in the final official statement in connection with the primary offering of the securities (including filings of audited financial statements) and material event and other required notices to the MSRB.** The required annual information filings and notices are to be delivered to the MSRB **only** through its EMMA system in an electronic format and with accompanying identifying information prescribed by the MSRB. (See the discussion below under **EMMA System Filings.**)
- There is no longer a requirement that there be a commitment to make filings with a SID (such as OMAC); however, OMAC expects that the MSRB will continue to make available to OMAC electronic copies of all filings made by Ohio issuers and obligated persons on the EMMA system.

As to Commitments of Small Ohio Issuers and Other Obligated Persons:

- **The continuing disclosure commitment must be to file annual information and operating data customarily prepared by the issuer or obligated person**



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that is publicly available and material event and other required notices with the MSRB. The filings are to be delivered to the MSRB **only** through its EMMA system in an electronic format and with accompanying identifying information prescribed by the MSRB. (See the discussion below under **EMMA System Filings**.)

- There is no longer a requirement that there be a commitment to make such filings with a SID (such as OMAC); however, OMAC expects that it will continue to have access to electronic copies of all filings made by Ohio issuers and obligated persons on the EMMA system.
- In its Release concerning the 2009 Amendments, the SEC suggests that, if a small issuer or obligated person customarily prepares and makes publicly available information that is more extensive than what the issuer provides in the final official statement for its issue, the issuer or obligated person may undertake to provide only the information that would comprise annual information and operating data required to be filed by large issuers or obligated persons.

EMMA SYSTEM FILINGS

The MSRB's EMMA system is an Internet-based, centralized database that provides free public access to disclosure and transaction information about municipal bonds to issuers, other obligated persons, investors and other municipal market participants. The MSRB now accepts annual information filings and material event notices under continuing disclosure agreements only through the EMMA system. As contemplated by the 2009 Amendments, the MSRB has prescribed that all such filings and notices are to be submitted as PDF files that can be saved, viewed, printed and electronically retransmitted and that, with limited exceptions for diagrams, images and other non-textual elements, are "word-searchable."

The MSRB has also prescribed that with each document filed, the issuer or obligated person (or its disclosure counsel or agent) will be required to include the following identifying information: (i) the category of information being provided (i.e., any annual financial information, financial statements, operating data, material events notice or voluntary information); (ii) the period covered by information being filed; (iii) the issues or specific securities to which such document is related or otherwise material (including CUSIP number, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate); and (iv) contact information for the issuer or obligated person (or its disclosure counsel or agent) making the filing.

Filings are to be made through password-protected EMMA accounts. Issuers and obligated persons (and their disclosure counsel or other agents) may register through the EMMA Dataport online at www.emma.msrb.org. Once registered, a user ID and password will be assigned to the issuer or obligated person or agent representative.

EMMA will also accept other types of information on a voluntary basis from issuers. This includes voluntary quarterly reports, bondholder notices or other market communications. Additionally, issuers will be able (but not required) to submit prior annual disclosure reports and material event notices to provide historical financial information at one location. EMMA also provides access to official statements, advance refunding documents, real time and historical trade information, daily market information and other educational materials about municipal bonds.



Moody's Ohio School District Underlying Ratings (as of 3/9/10) 6

Senior Associate: Patrick Maher (1) 312-706-9969 patrick.maher@moody.com

Vice President – Senior Analyst: Henrietta Chang (1) 312-706-9960

School District	Rating /Outlook
Alliance City School District, OH	Baa1
Amherst Exempted Village School District, OH	A1
Anna Local School District, OH	A3
Anthony Wayne Local School District, OH	A2
Arcanum Butler Local School District, OH	A3
Ashtabula Area City School District, OH	A3
Athens City School District, OH	A1
Aurora City School District, OH	Aa2
Avon Lake City School District, OH	Aa3
Avon Local School District, OH	Aa3
Barberton City School District, OH	Baa2
Batavia Local School District, OH	A3
Bay Village City School District, OH	Aa2
Beachwood City School District, OH	Aa1
Beavercreek City School District, OH	Aa2
Bellefontaine City School District, OH	A2
Berea City School District, OH	A2
Berne Union Local School District, OH	A3
Bethel-Tate Local School District, OH	A3
Bexley City School District, OH	Aa2
Big Walnut Local School District, OH	Aa3/NEG
Blanchester Local School District, OH	A3
Bluffton Exempted Village School District, OH	A3
Bowling Green City School District, OH	A1
Brecksville-Broadview Heights School District, OH	Aa3
Brookville Local School District, OH	A2
Brunswick City School District, OH	Baa1
Buckeye Central Local School District, OH	A3
Buckeye Local School District (Medina County), OH	A2/NEG
Bucyrus City School District, OH	Baa1
Canal Winchester Local School District, OH	A3
Cardinal Local School District, OH	A2
Celina City School District, OH	A2
Centerville City School District, OH	Aa2
Chagrin Falls Exempted Village School District, OH	Aa3
Cincinnati City School District, OH	Aa3/STA
Cleveland Hts-Univ Hts City School District, OH	Aa3
Cleveland Municipal School District, OH	Baa1/RUR
Clinton-Massie Local School District, OH	A3
Coldwater Exempted Village School District, OH	A3
Columbus City School District, OH	Aa3/STA
Columbus Grove Local School District, OH	A3
Copley-Fairlawn City School District, OH	Aa3
Crestview Local School District (Richland County), OH	A3
Cuyahoga Falls City School District, OH	A1
Cuyahoga Heights Local School District, OH	A2
Danbury Local School District, OH	A1
Dayton City School District, OH	A3
Defiance City School District, OH	A2
Dover City School District, OH	A3
Dublin City School District, OH	Aa1
East Cleveland City School District, OH	A3
East Holmes Local School District, OH	A2

School District	Rating /Outlook
Eastern Local School District (Meigs County), OH	A3
Eaton Community Schools City School District, OH	A1
Edgerton Local School District, OH	A3
Edgewood City School District, OH	A2
Elida Local School District, OH	A3
Elmwood Local School District, OH	A3
Elyria City School District, OH	A3
Euclid City School District, OH	A1
Evergreen Local School District, OH	A3
Fairbanks Local School District, OH	A2
Fairborn City School District, OH	A2
Fairfield City School District (Butler County), OH	A1
Fairless Local School District, OH	A2
Fairview Park City School District, OH	A2
Findlay City School District, OH	Aa3
Forest Hills Local School District, OH	Aa3
Franklin City School District (Warren), OH	A2
Fremont City School District, OH	A3
Gahanna-Jefferson City School District, OH	Aa2
Gallipolis City School District, OH	A3
Garfield Heights City School District, OH	A2
Geneva Area City School District, OH	A2
Genoa Area Local School District, OH	A3
Graham Local School District, OH	A2
Grand Valley Local School District, OH	A3
Grandview Heights City School District, OH	Aa3
Granville Exempted Village School District, OH	Aa2
Great Oaks Institute Of Technology, OH	Aaa
Hardin-Houston Local School District, OH	A3
Heath City School District, OH	A2
Highland Local School District (Medina County), OH	Aa3
Highland Local School District (Morrow County), OH	A3
Hilliard City School District, OH	Aa2
Huber Heights City School District, OH	Aa3
Hudson City School District, OH	Aa3
Indian Hill Exempted Village School District, OH	Aaa
Indian Lake Local School District, OH	A2
James A Garfield Local School District, OH	A3
Jefferson Local School District (Madison County), OH	A3
Jonathan Alder Local School District, OH	A1
Joseph Badger Local School District, OH	A3
Kenston Local School District, OH	Aa3
Kent City School District, OH	A1
Kettering City School District, OH	Aa3
Keystone Local School District, OH	A2
Kirtland Local School District, OH	Aa3
LaBrae Local School District, OH	A3
Lake Local School District (Stark County), OH	A3
Lakeview Local School District, OH	Baa1/NEG
Lakewood City School District (Cuyahoga County), OH	Aa3
Lakota Local School District (Butler County), OH	Aa1
Lebanon City School District, OH	Baa1
Liberty Union-Thurston Local School District, OH	A2



School District **Rating /Outlook**

Licking County Joint Vocational School District, OH Aa3/NEG
 Licking Heights Local School District, OH A1
 Lima City School District, OH A3
 Little Miami Local School District, OH A2
 Lockland Local School District, OH A3
 Logan-Hocking Local School District, OH A1
 London City School District, OH A3
 Louisville City School District, OH A3
 Loveland City School District, OH Aa3
 Madeira City School District, OH Aa3
 Maple Heights City School District, OH A2
 Mariemont City School District, OH Aa3
 Marysville Exempted Village School District, OH A2
 Mason City School District, OH Aa1
 Mayfield City School District, OH Aa2
 McComb Local School District, OH A3
 Medina City School District, OH Aa3
 Miami Trace Local School District, OH A2
 Miami Valley Career Tech Joint Vocational School District, OH A1
 Miamisburg City School District, OH Aa3
 Milford Exempted Village School District, OH A2
 Monroe Local School District, OH A2
 Mount Healthy City School District, OH A3
 Mount Vernon City School District, OH A2
 New Albany-Plain Local School District (Franklin and Licking Counties), OH Aa2
 New Boston Local School District, OH Baa1
 New Bremen Local School District, OH A2
 Newark City School District, OH A3
 Newton Local School District, OH A3
 Nordonia Hills City School District, OH Aa3
 North Canton City School District, OH A2
 North College Hill City School District, OH A3
 North Fork Local School District, OH A3/NEG
 North Royalton City School District, OH A1
 North Union Local School District, OH A2
 Northeastern Local School District (Clark County), OH A3
 Northeastern Local School District (Defiance County), OH A3
 Northmor Local School District, OH A3
 Northwest Local School District (Hamilton County), OH Aa3
 Norwalk City School District, OH A1
 Oak Hills Local School District (Hamilton County), OH Aa3
 Oakwood City School District, OH Aa3
 Olentangy Local School District, OH Aa2
 Orange City School District, OH Aaa
 Oregon City School District, OH A2
 Orrville City School District, OH A3
 Otsego School District, OH A2
 Ottawa Hills Local School District, OH Aa2
 Ottawa-Glandorf Local School District, OH A2
 Painesville City Local School District, OH A2
 Perrysburg Exempted Village School District, OH A1
 Pickerington Local School District, OH A1
 Pike-Delta-York Local School District, OH A3
 Piqua City School District, OH A2
 Preble Shawnee Local School District, OH A2
 Pymatuning Valley Local School District, OH A3
 Revere Local School District, OH Aa3
 Reynoldsburg City School District, OH Aa3

School District **Rating /Outlook**

Rocky River City School District, OH Aa3
 Ross Local School District, OH A1
 Shaker Heights City School District, OH Aa1
 Sidney City School District, OH A2
 Solon City School District, OH Aa2
 South Euclid-Lyndhurst City School District, OH A1
 South-Western City School District, OH A1/NEG
 Southington Local School District, OH A3
 Southwest Local School District (Hamilton County), OH A2
 Springboro Community City School District, OH A2
 Springfield City School District (Clark County), OH Baa1
 Springfield Local School District (Lucas County), OH A2
 St Marys City School District, OH A2
 Stow-Munroe Falls City School District, OH A2
 Strasburg-Franklin Local School District, OH A3
 Streetsboro City School District, OH A3
 Strongsville City School District, OH Aa3
 Sugarcreek Local School District, OH A1
 Swanton Local School District, OH A3
 Sycamore Community City School District, OH Aaa
 Sylvania City School District, OH Aa3
 Talawanda City School District, OH Aa3
 Teays Valley Local School District, OH A1
 Tecumseh Local School District, OH A3
 Tipp City Exempted Village School District, OH A1
 Toledo City School District, OH A3/STA
 Tolles Career and Technical Center, OH Aa1
 Tri-Valley Local School District, OH A3
 Trotwood-Madison City School District, OH A3
 Troy City School District, OH A1
 Tuslaw Local School District, OH A3/NEG
 Twin Valley Community Local School District, OH Baa1
 Twinsburg City School District, OH A1
 Upper Arlington City School District, OH Aa2
 Van Buren Local School District, OH A3
 Van Wert City School District, OH A3
 Vandalia-Butler City School District, OH Aa3
 Vermilion Local School District, OH A2
 Versailles Exempted Village School District, OH A3
 Wadsworth City School District, OH A1
 Walnut Township Local School District, OH A3
 Wapakoneta City School District, OH A2
 Washington Court House City School District, OH A3
 Washington-Nile Local School District (Sicoto County), OH Baa2
 Wauseon Exempted Village School District, OH A2
 Waverly City School District, OH A3
 Wayne County Joint Vocational School District, OH A1
 West Clermont Local School District, OH A2
 West Geauga Local School District, OH A2
 West Holmes Local School District, OH A2
 Western Reserve Local School District (Mahoning County), OH A3
 Westerville City School District, OH Aa3
 Westlake City School District, OH Aa2
 Whitehall City School District, OH A2
 Wilmington City School District, OH A2/NEG
 Wooster City School District, OH A1
 Worthington City School District, OH Aa2
 Wyoming City School District, OH Aa3





Ohio Municipal Advisory Council
 9321 Ravenna Rd, Unit K
 Twinsburg, OH 44087-2445

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CALENDAR

Calendar of Issuer Conferences & Outings for 2010

NAME	EVENT	DATE	LOCATION
CAAO	Summer Conference	June 15 - 17	Cherry Valley Lodge – Newark, Ohio
	Winter Conference	Nov. 30 – Dec 2	The Columbus – A Renaissance Hotel - Columbus, Ohio
CCCAO	Summer Conference		No Conference is scheduled for 2010
	Winter Conference	Dec. 5 - 8	Hyatt Regency – Columbus, Ohio
	Annual Golf Outing		No Golf Outing is scheduled for 2010
CTAO	Spring Meeting	May 18 - 20	Columbus Marriott NW at Tuttle Crossing - Dublin, Ohio
	Fall Meeting	November 16 - 18	Columbus Marriott NW at Tuttle Crossing – Dublin, Ohio
GFOA	National Conference	June 6 – 9	Georgia World Congress Center – Atlanta, Georgia
	Annual Golf Outing	July 23	Sawmill Creek Golf Course – Huron, Ohio
	Annual Fall Conference	September 15 -17	Hilton Columbus at Easton – New Albany, Ohio
MFOA (OML)	Spring Conference	May 13 - 14	Marriott Northwest – Dublin, Ohio
	Annual Conference	Sept. 29 - Oct. 1	The Columbus – A Renaissance Hotel - Columbus, Ohio
	Northeast Ohio Golf Outing	July 21	Ridgewood Golf Club – Parma, Ohio
	North-Central Ohio Golf Outing	September 8	Woussickett Golf Course – Sandusky, Ohio
NACO	National Conference	July 16 - 20	Reno-Sparks Convention Center – Reno, Nevada
OAPT	Annual Conference	October 13 – 15	The Columbus-A Renaissance Hotel - Columbus, Ohio
	National Conference	July 25-28	Charleston Place Hotel – Charleston, South Carolina
	Golf Outing	June 23	Brookledge Golf Club – Cuyahoga Falls, Ohio
OASBO	Annual Workshop	April 20 - 23	Hyatt Regency Hotel – Columbus Convention Center
OMCA	Spring Conference	April 21 - 23	Northpointe Conference Center – Lewis Center, Ohio
OPFOTP	Ohio Public Finance		
	Officers Training Program	June 21 - 25	Sheraton Suites Hotel – Cuyahoga Falls, Ohio
	CMFA Maintenance Program	June 24 - 25	Sheraton Suites Hotel – Cuyahoga Falls, Ohio
	Golf Outing (OAPT)	June 23	Brookledge Golf Club – Cuyahoga Falls, Ohio
OSBA	Capital Conference	November 7 – 10	Columbus Convention Center – Columbus, Ohio
SIFMA (BMA)	Annual Meeting	To be Determined	To be Determined

(T) – means date is tentative.

CAAO – County Auditor’s Association of Ohio – (614) 228-2226
 CCCAO – County Commissioners Association of Ohio – (614) 221-5627
 CTAO – County Treasures Association of Ohio – (614) 233-6818
 GFOA – Government Finance Officers Association – (614) 221-1900
 MFOA – Municipal Finance Officers Association of Ohio – (614) 221-4349
 NACO – National Association of Counties – (614) 221-5627

OAPT – Ohio Association of Public Treasurers – (216) 443-7814
 OASBO – Ohio Association of School Business Officials – (614) 431-9116
 OMCA – Ohio Municipal Clerks Association – (614) 221-4349
 OPFOTP – Ohio Public Finance Officers Training Program – (330) 972-7618
 OSBA – Ohio School Boards Association – (614) 540-4000
 SIFMA (formerly BMA) – Securities Industry & Financial Market Association – (212) 608- 1500

If you would like your event highlighted, contact Chris Scott at 1-800-969-6622, or by email at Chris@ohiomac.com