

Policy Type: Florin Resource Conservation District Board of Directors  
Policy Title: Debt Obligation Continuing Disclosure Policy  
Date Adopted: May 19, 2020  
Resolution No: 05.19.20.05  
Date Amended:

## **I. PURPOSE**

The purpose of this policy is to provide guidance to the Florin Resource Conservation District (District) Board of Directors (Board) to ensure all applicable disclosure obligations and requirements under the federal security laws are complied with.

## **II. POLICY**

This policy is intended to memorialize and communicate the Boards direction in connection with obligations, including notes, bonds and certificates of participation (collectively, Obligations), issued by or on behalf of the District.

## **III. DEBT OBLIGATIONS**

### **A. Obligations**

The District from time to time issues Obligations in order to fund or refund capital investments or other long-term programs. Certain Obligations are executed and delivered through a financing authority or corporation and others are incurred directly by the District. In offering Obligations to the public, and at other times when the District makes certain reports, the District must comply with the Anti-fraud Rules of federal securities laws. (Anti-fraud Rules refers to Section 17 of the Securities Act of 1933 and Section 10(b) of the Securities and Exchange Act of 1934, and regulations adopted by the Securities and Exchange Commission under those Acts, particularly Rule 10b-5 under the 1934 Act).

### **B. Anti-fraud Rules**

The core requirement of these Anti-fraud Rules is that potential investors in Obligations must be provided with all “material” information relating to the offered Obligations. The information provided to investors must not contain any material misstatements, and the District must not omit material information which would be necessary to provide to investors a complete and transparent description of the Obligations and the District’s financial condition. In the context of the sale of securities, a fact is generally considered to be “material” if there is a substantial likelihood that a reasonable investor would consider it to be important in determining whether or not to purchase the securities being offered.

### **C. Issuance of execution and delivery of Obligations**

The District has entered and may enter into a number of contractual agreements (Continuing Disclosure Certificates) to provide annual reports related to its financial condition (including the audited financial statements), as well as notice of certain events relating to the Obligations specified in the Continuing Disclosure Certificates. The District must comply with the specific requirements of each Continuing Disclosure Certificate, which generally require that the annual reports be filed within 270 days after the end of the District’s fiscal year and material event notices are generally required to be filed within 10 business days of their occurrence. Specific events which require “material event” notices are set forth in each Continuing Disclosure Certificate.

#### **IV. RESPONSIBLE PARTIES**

The General Manager or Finance Manager/Treasurer, through the use of a Continuing Disclosure Agent, shall be responsible for ensuring that the preparation and filing of the annual reports and material event notices required result pursuant to the Continuing Disclosure Certificates. Particular care should be paid to the timely filing of any changes in credit ratings on Obligations, including changes resulting from changes in the credit ratings of insurers of particular Obligations.