



# City of Grand Island

Tuesday, October 28, 2014

Council Session

## Item G-18

**#2014-333 - Approving Authorization for the City to Participate in the Securities Exchange Commission's Municipalities Continuing Disclosure Cooperation Initiative and Related Matters**

Staff Contact: Robert J. Sivick, City Attorney

# **Council Agenda Memo**

**From:** Robert J. Sivick, City Attorney

**Meeting:** October 28, 2014

**Subject:** Approving Authorization for the City to Participate in the Securities Exchange Commission's Municipalities Continuing Disclosure Cooperation Initiative and Related Matters

**Item #s:** G-18

**Presenter(s):** Robert J. Sivick, City Attorney

## **Background**

The Securities and Exchange Commission (SEC) is offering municipal issuers and other "obligated persons" (referred to collectively as issuers) the opportunity to self-report disclosure deficiencies in their official statements under the SEC's Municipalities Continuing Disclosure Cooperation Initiative (the Initiative). The SEC Initiative also incentivized underwriters to self-report municipal bond issues which may have contained materially incorrect disclosures. The City of Grand Island's underwriter, Ameritas Investment Corp., recently informed the City of Grand Island of their decision to self-report certain of the City's bond issues to the SEC.

## **Discussion**

The City must determine whether to participate in the Initiative before the expiration of the Initiative on December 1, 2014.

## **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the Authorization for the City to participate in the Securities Exchange Commission's Municipalities Continuing Disclosure Cooperative Initiative.
2. Postpone the issue to a future meeting.

3. Take no action.

### **Recommendation**

Approve the Authorization for the City to participate in the Securities Exchange Commission's Municipalities Continuing Disclosure Cooperative Initiative.

### **Sample Motion**

Move to approve the Authorization for the City to participate in the Securities Exchange Commission's Municipalities Continuing Disclosure Cooperative Initiative.

RESOLUTION 2014-333

WHEREAS, the Municipalities Continuing Disclosure Cooperation Initiative (the “Initiative”) of the Securities and Exchange Commission (“Commission”) has been introduced for municipal issuers and underwriters, and the underwriter of the City has reported one or more of the City’s bond issues to the Commission pursuant to the Initiative; and

WHEREAS, the City has evaluated the benefits and risks of participation in the Initiative and has determined that participation in the Initiative is appropriate for the City to reduce future risk and uncertainty;

WHEREAS, the deadline for self-reporting to the SEC is December 1, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the City Council hereby authorizes the City to participate in the Initiative under the terms of the Initiative, and further authorizes the Mayor to approve, finalize, execute and deliver for and on behalf of the City any and all documents, certificates and questionnaires necessary or appropriate for the City to participate in the Initiative including, without limitation, an agreement with the Commission under the terms set forth in the Initiative.

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Adopted by the City Council of the City of Grand Island, Nebraska, October 28, 2014

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Jay Vavricek, Mayor

Attest:

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RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 24, 2014	☐ City Attorney