



San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

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KEY SEC COMMISSIONER VIEWS SAN DIEGO AS MODEL IN SECURITIES DISCLOSURE

San Diego, CA: At the conclusion of a front-page article in the July 21 nationwide publication, The Bond Buyer (see http://www.bondbuyer.com/issues/119_387/sec_regulatory_road_show-1015011-1.html), SEC Commissioner Elisse Walter highlights as a model the good disclosure practices that have been adopted by the City of San Diego. Commissioner Walter is expected to lead an SEC inquiry into ways to better protect investors.

The Bond Buyer explained that San Diego “was sanctioned by the SEC for material misrepresentations and omissions about its pensions and retiree health care obligations in disclosures tied to five 2002 and 2003 bond issues. It has since created a disclosure working group comprised of key city officials and outside disclosure counsel to review and ensure the accuracy of offering statements and any other document that reached investors. The city also has detailed disclosure controls and procedures adopted by that group that lays out who must review and sign off on disclosure documents within set time periods.”

“San Diego is now doing things the right way,” said San Diego City Attorney Jan Goldsmith. He credited the Mayor and his staff, the City Council, as well as the Finance Unit of the City Attorney’s Office and outside disclosure counsel, for working together as a team to create a national model for disclosure practices.

“San Diego puts a lot of time and effort into ensuring that all of its financial disclosures are accurate and complete,” stated Deputy City Attorney Brant Will of the Finance Unit. “Particularly considering what we’ve been through, it’s nice to be recognized for doing things right rather than being held out as a cautionary tale for other cities. Whatever the SEC decides, we intend to remain at the forefront of municipal financial disclosure practices.”

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