



The Importance of Investor Relations

Empowering Municipal Issuers with a Comprehensive Investor Engagement and Understanding

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Introduction to Investor Relations

The Goals of an Investor Relations Strategy

- ◆ More Voluntary Disclosure and Transparency
- ◆ More Clarity of Your Message
- ◆ More Engagement with All Types of Investors and the Market
- ◆ ATTRACT MORE BUYERS



Introduction to Investor Relations

◆ Corporate Investor Relations

"Investor relations serves as the megaphone to amplify the company's story while simultaneously building new relationships, nurturing trust, and building bridges between investors and the C-suite," said Alyssa Barry, principal and co-founder of IR Labs. "Success begins with setting clear goals, understanding who you are targeting (retail vs. institutional vs. analysts), and extends to a comparative analysis against industry benchmarks. There's no one-size-fits-all."¹

1. Measuring the ROI of Investor Relations and Public Relations Efforts

CONTRIBUTOR

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Introduction to Investor Relations

Corporate Investor Relations Example

The screenshot shows the NVIDIA investor relations page. At the top left is the NVIDIA logo. A search icon is in the top right. Below the logo is a navigation menu with the following items: Investors, News, Events & Presentations, Stock Info, Financial Info, Governance, and Investor Resources. The main content area features a large heading: "The World Leader In Accelerated Computing". Below this heading is a paragraph of text: "NVIDIA's invention of the GPU in 1999 sparked the growth of the PC gaming market, redefined modern computer graphics and revolutionized parallel computing. More recently, GPU deep learning ignited modern AI — the next era of computing — with the GPU acting as the brain of computers, robots and self-driving cars that can perceive and understand the world." A green "Learn More" button is positioned at the bottom left of the text. On the right side of the page, there is a dark grey box containing stock market data: "NASDAQ: NVDA", "PRICE: \$132.82", and "CHANGE: +5.11". Below the change is the text "Delayed 20 minutes" and a plus sign icon.



Introduction to Investor Relations

◆ Municipal Investor Relations

“GFOA recommends that governmental bond issuers consider developing an investor relations program in conjunction with their continuing disclosure policy. The centerpiece of such a program is a commitment to provide broad dissemination of comprehensive disclosure of financial, operating, and other significant information in a timely manner consistent with federal, state and local laws.”¹

1. GFOA Best Practices , Maintaining an Investor Relations Program
GFOA Website



Introduction to Investor Relations

◆ Municipal Investor Relations Example

STATE OF FLORIDA
DIVISION OF BOND FINANCE

Home News and Updates Bond Programs Bond Sales Financial Information Other Functions

\$120M FDOT Turnpike Revenue Bonds, Series 2024D



About the Division of Bond Finance

The Division of Bond Finance (Division) was created by the Legislature in 1969 to issue bonds on behalf of local governments and agencies of the State of Florida. It assumed the powers of its predecessor, the Florida Development Commission, and [\[Read more\]](#)



Debt Overview

The Division of Bond Finance prepares an annual Debt Report to review changes in the State's debt position that occurred over the past year and show how future debt service payments, debt issuance [\[Read more\]](#)



Board Meetings

The Florida [Governor and Cabinet](#) serve as the Governing Board of the Division of Bond Finance. Through authorizing resolutions, the Cabinet provides the authority for the Division to issue bonds, establishes the various funds and accounts pledged to the payment [\[Read more\]](#)



Differences in Investor Relations

Corporate Disclosure Requirements

- 2002 Sarbanes Oxley Act (SOX), holds CEO and CFO legally accountable for financial accuracy
- Corporate Transparency Act 2024
- All required information posted to SEC's EDGAR system
 - Quarterly Financial Reporting and Investor Calls (approx. 30 days)
 - Annual Financials (90 days)
 - Robust reporting, failure to file includes hefty fines, and investor scrutiny
- Suspension/delisting from stock exchanges
- Investor Relations Industry Certifications

Municipal Disclosure Requirements

- SEC Rule 15c2-12 Continuing Disclosure Agreements (16 material events)
- All required information to be posted to the EMMA system
 - Annual Financial Disclosure, posted within 270 days, no immediate penalty for failure to file
 - Some sectors report quarterly as per disclosure agreement (not-for-profit hospitals)
 - Issuer needs to report material event/s within 10 business days of a happening



Introduction to Investor Relations

◆ Question #1 True or False

The corporate bond market has more stringent requirements than the municipal bond market?

A. True

B. False



Introduction to Investor Relations

- ◆ Importance of an Investor Relations Strategy
 - Knowing
- ◆ Main Goal of an Investor Relations strategy
 - More
- ◆ Overview of PFM's Investor Relations Advisory Service
 - 3-phase Process



Introduction to Investor Relations

◆ Question #2

When developing and Investor Relations Strategy, who is the target audience?

- A. Media
- B. Rating Agencies
- C. Investors
- D. Your Boss



Identifying Current and Potential Bondholders

- ◆ Understanding Your Existing Investor Landscape
- ◆ Comparing Data to Trends
- ◆ Tactics to Expand Your Investor Base



Develop Specific Investor Targets and Placement Goals

- ◆ Setting Realistic Targets and Objectives
- ◆ Informing the Broader IR Strategy to Your Team



Assist in Underwriter Team and Role Selection

- ◆ Selecting the Optimized Team of Underwriting Firms (new focus of SEC)
- ◆ Coordinating the Underwriter Selection Process to Match IR Strategy



Develop Outreach Strategies

- ◆ Survey Institutional Investors, Banks, SMAs, and Retail Investors
- ◆ Establishing Communication Strategies with the Underwriting Team



Assist in Coordination of Investor Outreach

- ◆ Investor Road Show Presentations
- ◆ One-on-One Calls
- ◆ Drafting Responses to Investor Questions



Analyze Previous Transaction Orders and Allocations

- ◆ Gain Insights into Investors Behavior
- ◆ Review Comparable Issuer/Deal Order Books



Organize Regularly Occurring Investor Outreach Activities

- ◆ Planning Investor Outreach Calls
- ◆ Organizing an “Investor Day”
- ◆ Addressing Investor Concerns



Attain and Evaluate Transaction Information

- ◆ Capturing and Retaining Investor Activity Information
- ◆ Using Information for Analysis and Strategic Planning



Establish and Maintain Investor Database

- ◆ Utilizing PFM's Investor Database
- ◆ Refining Communication Strategies



Post-Pricing Investor Activity Review

- ◆ Reviewing Orders and Allocations
- ◆ Assessing Underwriting Team Performance
- ◆ Encouraging Investor Engagement in Future Financings



Introduction to Investor Relations

◆ Question #3

The best way to understand your investors is to analyze past deal data engage in a dialogue with them?

A. True

B. False



Conclusion

- ◆ Recap of the Value of an Investor Relations Strategy
- ◆ Next Steps



Questions?



PFM's Investor Relations “Scope of Services”

- ◆ Identify Current and Potential Bondholders
- ◆ Develop Specific Investor Targets and Placement Goals
- ◆ Organize Regularly Occurring Investor Outreach Activities
- ◆ Analyze Previous Transaction Orders and Allocations
- ◆ Assist in Underwriter Team and Role Selection
- ◆ Develop Outreach Strategies
- ◆ Assist in Coordination of Investor Outreach
- ◆ Attain and Evaluate Transaction Information
- ◆ Establish and Maintain Investor Database
- ◆ Post-Pricing Investor Activity Review
- ◆ Additional IR Advisory Activities
- ◆ Post Financing Summary
- ◆ Consult on the Development of IR website

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Disclosures

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